



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

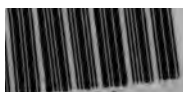
We also ask that you:

- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

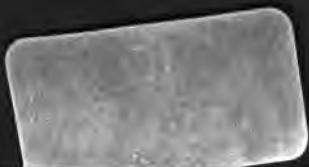
About Google Book Search

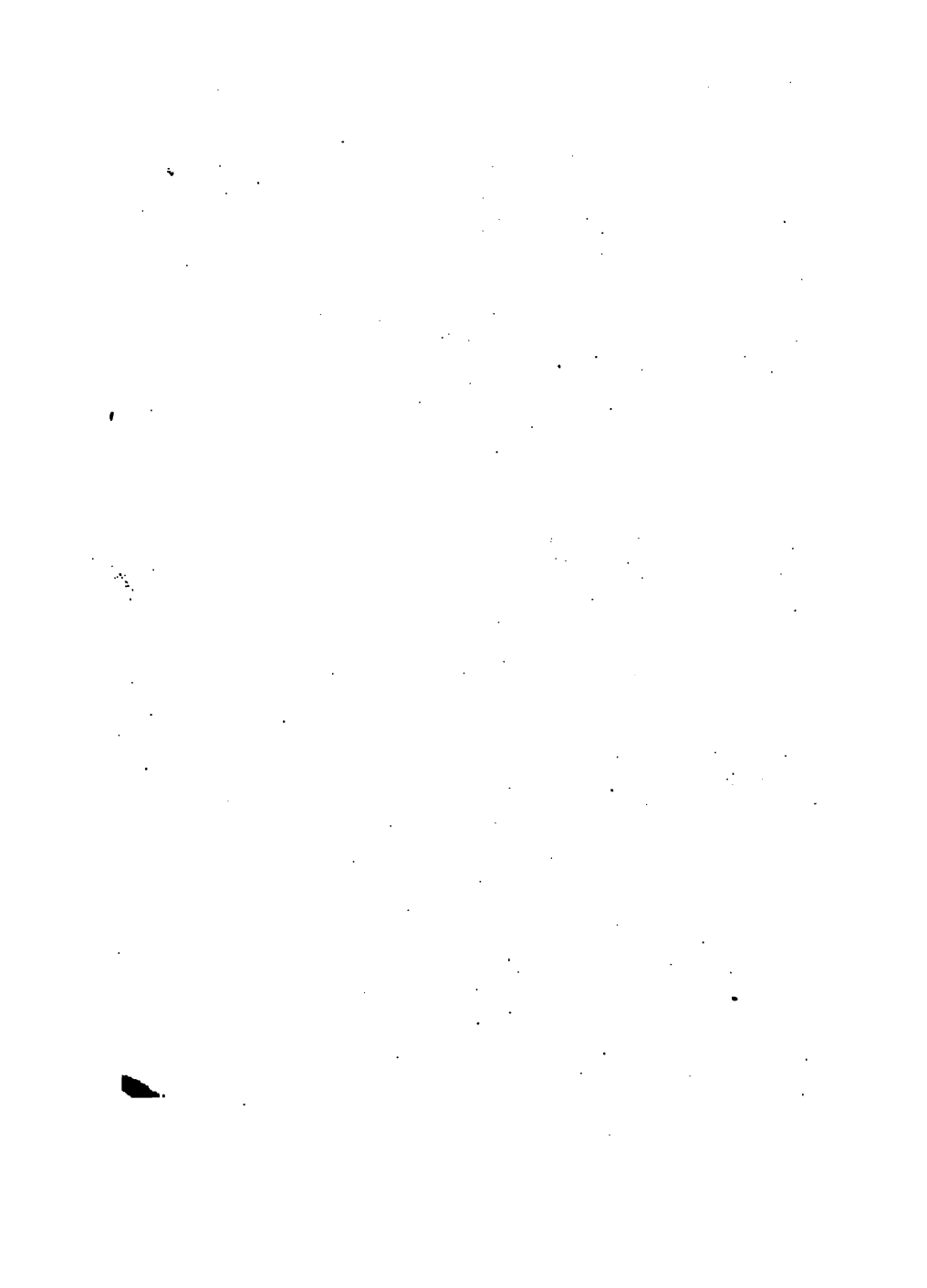
Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>

RAILWAYS



8514U





.

RAILWAYS.



RAILWAYS:

IN A LETTER TO

THE RIGHT HONORABLE

THE PRESIDENT OF THE BOARD OF TRADE:

A PLAN

FOR THE

SYSTEMATIC REFORM OF THE RAILWAYS

OF THE UNITED KINGDOM

BY LEGISLATIVE ENACTMENT.

SECOND EDITION.

"THE WELFARE OF THE PEOPLE IS THE HIGHEST LAW."

LONDON:

LONGMAN, GREEN, LONGMAN, ROBERTS, AND GREEN.

1865.

The Right of Translation is reserved.

232. g. 1.



RAILWAY REFORM.

TO THE RIGHT HON. T. MILNER GIBSON, M.P.,
PRESIDENT OF THE BOARD OF TRADE.

SIR,

More than thirty years ago, when Railway History began, I, then a Member of the House of Commons, pressed upon the notice of Government the importance of establishing, in all Railway Legislation, the Six Standard Points following:—

1. Uniformity of Gauge.
2. One Penny a mile to be the *maximum* charge for Passengers.
3. Special Trains to be at the service of Government for conveyance of the Government Mail Bags Free of Charge.
4. Railways, Railway Shares, Stock, and Debentures, under Act of Parliament, to be exempted from all Government Taxes, including Property

and Income Tax, Probate and Legacy Duties, Fire Insurance, Poor Rates, County Rates, and all Local Rates.

5. Railway Bills to be exempted from all Fees in Parliament, and other Parliamentary charges.

6. Railway Shares, Stock, and Debentures, (unless expressly forbidden,) to be legal investments for all Trust Monies authorized to be invested in Government Funds.

When the first Great Western Railway Bill was introduced into Parliament, I again urged the Government not to sanction an alteration in the Gauge then established, as the *narrow gauge*, in contradistinction to the *broad gauge*, then, for the first time, about to be introduced.

But there was then no experience and little foresight. Few principles were laid down by Parliament for the protection of the Public against a great monopoly, and little was done for the protection of the Companies against the exactions of the Landowners. But great and unusual powers were given by Parliament, with little or no reserve for the public good.

The first Bill introduced into Parliament by the Great Western Railway Company was for the avowed object of making a Railway between London and Bristol. But it was, in fact, only a scheme for securing the two *termini* in London

and Bristol, leaving a gap between, of about sixty miles, to be completed by any other Company inclined to undertake so unpromising a job.

Believing my personal interests, as a Landowner, to be concerned in the extension of the Great Western Railway into Glamorganshire, and believing that a long time would elapse before a Company could be found willing to unite these two *termini*, in London and Bristol, by the formation of an intermediate Line of Railway, and further objecting to other parts of the proposed Line, which left London in the direction of and passing under Harrow, I got up an opposition of my own to the Bill in Parliament, independently of other opponents. I obtained full authority from many of the principal Landowners on the proposed Line, on the single condition that they were to be guaranteed from all expenses. I took on myself the whole cost of this opposition and thus obtained its sole conduct and control, leaving other opponents to conduct their own opposition. I engaged my own Civil Engineer and Staff of Surveyors, and employed them to make a Survey of the whole Line for a complete Railway between London and Bristol, according to my own notion of the best Line. That was, I believe, essentially, the present existing Line. The battle was fought in Committees of the Com-

mons and the Lords, and that was, I believe, the hardest, longest, and costliest contest which has ever been fought on any Railway Bill in Parliament. The Bill was passed in the Committee of the Commons, but was lost, by a small majority, in the Committee of the Lords, and lost, as I believe was then generally admitted, by the opposition which I thus brought to bear.

Master of the ground, I then made my own terms, and my Line was adopted. Such is shortly the early history of the present complete Line of Railway between London and Bristol. Nor was it the least interesting incident in this history, that the late Sir I. Brunel, the Engineer in Chief, afterwards admitted to me that my Line was the best, as well as complete. But, on the question of Gauge, he had made up his mind in favour of the Broad Gauge, and was not to be changed. He did not then see that, for many reasons now unnecessary to be considered, this was a mistake.

The questions here to be considered are, the neglects or oversights of the Government and Parliament, on the introduction of the Railway System into this country, with a view to the best practical remedy.

It required no great foresight to see, after the first discovery and successful experiment between Manchester and Liverpool, that the Locomotive

power on Railways would effect a great change in the social state of England, and the World.

It might have been expected that the Government would then have laid down principles, and have adopted some general and uniform system for the regulation of Railways, with a view to the greatest National good. But that was not done. Railways, in this country, were formed on no fixed system for the National benefit. A great monopoly was established with the consent of Parliament, and the Government and the People were left to make the best terms they could with the Monopolist Companies. An enormous power was then created and left in their hands, to be used almost as they pleased, although, in some respects, the Shareholders have been left with insufficient protection.

Whether or not, or how far, these neglects or oversights can now be remedied, is the question to which attention is here invited.

The history of our highways has fully shown the necessity of having them under the control of Parliament. There are many and wide distinctions between Highways and Railways; but Railways, now serving the main purposes of Highways, ought, for many like reasons, to be to a great extent under the control of Parliament. Most Foreign Governments have kept a larger

power over the public railways of the country, than has been retained by the British Government, and have retained the reversion in the Land and Railways, on the expiration of the long terms of years for which the special rights and privileges were conceded. Some of the Foreign Governments have assisted the Companies with large grants of public money. That has not been the policy of the British Government.

Which has been the best policy, may be a doubtful question, but it can hardly be doubted that it would have been a wise policy in the British Government to have retained an ultimate reversion in the British Crown.

It is now too late to raise that question. But it can never be too late to consider the public convenience, consistently with the good faith of Parliament, and on that ground alone can any further Parliamentary powers of control be now justly exercised over public Railways already made, in limitation of powers already conceded.

The present question, therefore, is, how far the public convenience and welfare can be advanced by a new arrangement between the Government and the Railway Companies, consistently with the good faith of Parliament.

The only way of proceeding, on this principle, must be by mutual concessions.

With this view it is proposed to take into consideration the Six Standard Points before mentioned.

1. Uniformity of Gauge.

This was disposed of when the Broad Gauge of the Great Western Railway was sanctioned by Parliament.

2. One Penny a Mile to be the *maximum* charge for Passengers.

This is an essential principle for the protection of the Public against the monopoly, (for practically it is a monopoly) granted by Parliament to Railway Companies.

3. Special Trains to be at the service of Government for the conveyance of the Government Mail Bags free of charge.

This is another essential demand, on behalf of the Public, against the Railway Companies, consequent upon the monopoly conceded to them by Parliament.

The question then arises, how these demands can now be made against the Railway Companies, consistently with the good faith of Parliament.

This is a question of compensation.

If the compensation be fairly adjusted, the Companies generally will not refuse to accept it. But, some may accept, and others refuse. In the case of refusal, it will be perfectly consistent

with good faith, if Parliament refuse to make any further concessions to the refractory Companies. The Companies holding out will soon find it to be for their own advantage to come into the general terms; for, otherwise, their higher rates of charge will probably drive a large proportion of the Passenger and Goods traffic off their Lines, and other Lines will be brought into competition.

Assuming, then, that the question is one of sufficient compensation, it remains only to be considered, whether or not the compensation provided by the standard points, 4, 5, & 6, would be sufficient.

The principle which serves for the great Main Lines must also serve for the shorter and Branch Lines.

The following are the Rates of Charge for Passengers on the Great Western Railway (proper).

1st Class, per mile	$2\frac{1}{10}d.$
2nd „ „	$1\frac{1}{30}$
3rd „ „	1

The following are the Rates of Charge for Passengers on the West Midland, South Wales, and Shrewsbury Railways.

1st Class, per mile	$2\frac{1}{2}d.$
2nd „ „	$1\frac{3}{4}$
3rd „ „	1

The Rates of Charge for Passengers on all the other great Main Lines are nearly the same.

In the place of these present charges, it is proposed to substitute the following as the Rates of Charge for Passenger Fares on all the public Railways of the Kingdom.

1st Class, per mile	. . . .	1d.
2nd „ „	. . . .	$\frac{1}{2}$
3rd „ „	. . . .	$\frac{1}{4}$

It is not proposed to interfere with the rates of charge for Goods, as these are necessarily very various, according to distance and other circumstances.

But not less than the present allowance of luggage ought to be secured to each passenger according to the class.

It would afford great facility to the public, and to the Commercial public in particular, if all the Railway Companies would come to an agreement to carry Goods by weight or bulk at the option of their Customers, and to fix the tariff of charges on some uniform and moderate scale. Under such an arrangement the increase of Goods traffic by Railway would be so considerable as to make an important addition to the revenue, for it is well known that Wholesale and Retail dealers in many trades would make much more use of the Railways than they do, for the

carriage of their Goods, if the rate of charges were lower, and if they had the option of paying by weight or bulk, as they would then be able to calculate the cost, and now they cannot. To leave this option with their Customers must manifestly be for the advantage of the Railway Companies, for to them it must be quite immaterial whether the space in the Van be occupied by weight or by bulk, if the charge for both be properly adjusted; but to the parties sending the Goods, the whole question, whether or not they are worth sending at the cost, may often depend on this option. And so in practice it is found to be, for the uncertainty whether the Goods will be charged by bulk or by weight, prevents them, to a great extent, from being sent at all. This statement is made on the authority of large wholesale and retail dealers in many trades.

It is apparent that this reduced scale of Passenger Fares would be attended with a very considerable loss in the first instance to all the Railways of the Kingdom.

The only other losses to the Railway Companies from the proposed changes would be as follows:—

1st. The loss of the present profit on the conveyance of the Government Mails.

2nd. The loss on providing Special Trains;

when required, for the conveyance of the Government Mails *free of charge*.

All these losses are easily estimated by the present actual receipts and payments.

The 5 per cent. duty, now paid to Government on 1st and 2nd Class Passengers, in England, Wales, and Scotland, is also easily estimated by the present payments.

The Poor Rates, County, and other local rates, are less easily estimated, being more variable; but the average of the present actual payments will be sufficiently near for an estimate.

The Secretary of the Great Western Railway Company says: "The payments for Poor Rates vary very considerably, and are the subject of continual Actions and Arbitrations. No rule can be laid down, except as to the general mode of ascertaining how Railway claims are to be rated."

The same authority gives for actual payments by the Great Western Railway Company, for Rates and Taxes, (exclusive of the Government Duty on Passengers,) for the year, ending 31st January 1864, as follows:—

Half-year, ending 31st July	
1863	£17,851 11 10
Half-year, ending 31st January	
1864	20,707 12 2
	<hr/>
Total . . .	£38,559 4 0

Assuming the Costs of Actions and Arbitrations on the question of Poor Rates, County, and other Local Rates, and Parliamentary charges, with the other exemptions, at a moderate estimate, the yearly saving may be taken, in round numbers, at not less than £40,000 a year, on the Great Western Railway and Branches.

The Government Duty on Fire Insurances and the Fees paid on Bills in Parliament, and other Parliamentary charges, being varying and uncertain, cannot be ascertained with any accuracy, but altogether must be a considerable yearly charge.

From all these the Railway Companies would be relieved, and the saving thereby effected, to the Great Western Railway Company, may be thus stated :—

Exemption from Rates and Taxes as paid in 1862	£38,913
Exemption from Government Duty on Passengers, as paid in 1862 . . .	42,249
Exemption from Parliamentary charges and other exemptions as estimated .	40,000
Total yearly saving . .	<u>£121,162</u>

The value of the exemption of Railway Shares, Stock, and Debentures from the payment of Pro-

perty and Income Tax, Probate and Legacy Duties are not calculable for any practical purpose, but these savings would be substantial benefits, and yearly increasing gains. The effect would be, the addition of a considerable *bonus* to the market value of the Shares, Stock, and Debentures, and, therefore, would, indirectly, be no inconsiderable benefit to the Railway Companies. Nor would this diminution of the Government Revenue afford any just ground of complaint, even assuming (what by no means follows), that a diminution so made must be made good by an additional tax, because the People already pay the tax indirectly. The only difference would be that they would then see the tax more clearly, when directly laid on themselves, than now when directly laid on the Railway Companies, and indirectly on themselves. In both cases the People would equally pay the tax.

The same remarks apply to all other Government Taxes, and to County and other Local Rates, including Poor's Rates, exemption from which would be a yearly increasing gain to the Companies.

Another, but not calculable, gain to the Railway Companies would be, in the general law enabling Trustees to invest, in Railway Shares, Stock, or Debentures, (unless expressly forbidden),

all Trust Monies authorized to be invested in Government Funds. The effect of this would be, to bring a great accession of money for investment in Railway Shares and Securities, and thereby to raise their market price. This would be a gain to the Railway Companies as well as to the Shareholders.

As affecting the loss of revenue to the Government, this might be more than compensated by the increase of revenue from the Post Office, to the benefit of the whole community. But, independently of this compensation, many other sources of compensation would be opened by the greater facility to travellers, from the reduced rate of Passenger fares. This applies as well to the Railway Companies as to the Government. The present rates of charge for Special Trains, on the Great Western Railway, for conveyance of the Government Mail Bags, are from 1*s.* 6*d.* to 3*s.* 6*d.* per mile. This very high rate of charge wholly taken off, must make a very considerable reduction from the yearly expenditure of the Post Office, and this reduction would be a clear gain, because it would not diminish the number of letters passing through the Post Office.

Nor would the loss to the Railway Companies from carrying the Mail Bags *free*, be so considerable as may at first appear, for Special Trains

for this service would rarely, if ever, be required, and, from the reduced rate of Passenger Fares, much of the business of the country, now transacted through the Post Office, would then be transacted in person, and this alone would cause a considerable increase in the number of Passengers, and, most probably, a great increase in the quantity of Goods traffic.

But, the immense increase of Passenger traffic on all the Railways, consequent on the very low fares, would, probably, in a few years, (as proved in the case of postage of Letters,) be more than sufficient to compensate the whole loss to the Railway Companies from these changes, and then exemption from all Government Taxes and Local Rates would be so much clear gain to the Railway Companies for ever. Another gain, to all concerned, would be in getting rid of those dangerous amusements for the People, called "Excursion Trains." This would, probably, be a great saving of human life and limb, for the benefit of those who venture.

The Railway Companies might then be induced to follow the good example set throughout the Continent, even in every little German State, by giving decent accommodation to 2nd and 3rd Class Passengers, providing separate carriages for women in both these Classes, as

well as in the 1st Class, and making many other little arrangements for the safety and convenience of Passengers.

It is, however, apparent on this statement that these changes would be attended, at first, with a great yearly loss to the Railway Companies. Over what period of time this loss would be continued, must be more or less a speculative question. On the Main Lines, the turn in favor of the Railways may be expected to take place at the expiration of four or five years. On many of the smaller and branch Lines, the period may be extended to six or seven years, or more.

This important question then arises:—How are the Railway Companies to be carried over this period of difficulty?

For this purpose it is proposed that the authority of Parliament be obtained for enabling the Board of Trade to advance Loans, not exceeding a certain amount, from the Exchequer, at the rate of £3 per centum per annum, to such Railway Companies as stand in need of such aid, to be secured on all the property of the Company, as a prior charge to all other claims, and liable to be recovered by Extent from the Crown; such loans to be for certain fixed periods, to be enlarged from time to time, at the discretion of the Board of Trade.

It is to be expected that the enormous increase in Passenger and Goods traffic throughout the kingdom, will enable the Railway Companies to repay these loans into the Exchequer in a few years, and then to derive the full benefit from the before mentioned Exemptions, secured to them for ever. The ground for this expectation is to be seen only on a careful examination of all the facts on which the calculation is founded.

The benefit to Shareholders and others interested in Railways would be very great, from the greater and more permanent security which would thus be given to all the Railway property of the kingdom, and the prospect of increased Dividends might well reconcile them to receive reduced Dividends for a short period.

With Railway Property on this simple and secure basis, and held with these peculiar and exclusive privileges, granted and guaranteed by Parliament, it is easy to foresee that the time cannot be distant when Railway Securities will have a preference, with a large portion of the Public, over Government Securities for permanent investments, and that nothing but gross mismanagement on the part of the Companies can prevent these from becoming the more profitable investments. Nor will this be an unfavourable view for the Government, the tendency

being not to depreciate Government Securities, but to enhance Railway Securities.

What would be the effect of this measure on foreign capital, would be a curious and interesting problem, for solving which we have no experience for our guide. But we know that foreign Capital, to a very large amount, is invested in our Government Securities, and that Foreigners think these Securities worth the cost of Income Tax. If the Railway Securities be equally safe, to receive the Dividends half yearly, free of Income Tax, would be a calculable gain, which Foreigners would not be likely to overlook. It is, therefore, not unreasonable to suppose that a very large amount of foreign Capital would thus be drawn into England.

It is not conceivable, that conferring on Railway Companies the benefit of these special and exclusive exemptions would have the effect of depreciating the Government Funds; for the increased value of the Railway Securities must be dependent on the increased trade and general prosperity of the country, and the Government Funds must always be the principal investment for the Trading Capital of the kingdom. The tendency of this measure, therefore, would be to maintain or raise the Government, as well as the Railway, Securities.

In this point of view, the loss of revenue by these deductions from the returns of Income Tax, Probate and Legacy Duties, would be insignificant, and more than compensated by increased Trade and general prosperity, leaving the increased revenue from the Post Office a clear gain to the Government.

For following out this inquiry, it will be convenient to take a concise, but exact, view of the actual results of the existing Railway System, and for this purpose to take the last published statement, which is for the year ending 31st December, 1862. For the particular details, the Great Western Railway is selected as a fair specimen, and for the general view, a Summary will be taken of all the Railways of the United Kingdom. These, with the Returns in the Ninth Report of the Postmaster General on the Post Office, being that for the year 1862, will form the basis of all the calculations in this inquiry.

All the principal facts, here referred to, relating to Railways, are taken from the Returns to Parliament by the several Railway Companies in England and Wales, Scotland and Ireland, showing the Traffic upon the respective Railways in Passengers and Goods, during the year ending 31st December, 1862; and from the Returns

of the Working Expenditure, etc. of each Railway during the same Year.

THE GREAT WESTERN RAILWAY.

INCLUDING THE WEST MIDLAND AND SOUTH
WALES RAILWAYS.

Number of Trains run.

Passenger Trains	. . .	133,963
Goods	„ . . .	53,425
		<hr/>
		187,388
		<hr/>

Number of Miles travelled by Trains.

Passenger Trains	. . .	4,158,976
Goods	„ . . .	2,562,710
		<hr/>
		6,721,686
		<hr/>

Average Fares, per Mile.

1st Class	. . . . .	2·08
2nd „	. . . . .	1·55
3rd „	. . . . .	0·96

Express.

1st Class	. . . . .	2·43
2nd „	. . . . .	1·74

Receipts (Gross) From Passenger Traffic.

1st Class	£359,670
2nd „	470,202
3rd „	347,360
Holder of Season and Periodical Tickets	10,180
Total Receipts from Excess Luggage, Parcels, Carriages, Horses, Dogs, etc. conveyed in Passenger Trains	116,564
Receipts from Mails	49,210
	<hr/>
Total Receipts from Passenger Traffic	£1,353,186
	<hr/>

Receipts (Gross) From Goods Traffic.

Coal, Coke, and other Minerals . .	168,188
General Merchandise	723,664
	<hr/>
Total Receipts from Goods Traffic .	£891,852
	<hr/>

Summary.

Total Receipts from Passenger Traffic	1,353,186
„ Goods Traffic .	891,852
	<hr/>
Total Receipts from all sources of Traffic	£2,245,038
	<hr/>

Comparative Summary of Traffic upon the Railways in England and Wales, Scotland, and Ireland, respectively during the year ending 31st December, 1862, and during the year ending 31st December, 1861.

ENGLAND AND WALES.

Periods to which the Statement refers.	Passenger Traffic.						
	Number of Passengers (exclusive of Holders of Season and Periodical Tickets).				Number of Holders of Season and Periodical Tickets.	Carriages.	Horses.
	1st Class.	2nd Class.	3rd Class, including Parliamentary.	Total Passengers.			
	No.	No.	No.	No.	No.	No.	No.
Year ending Dec. 31, 1862	19,366,737	46,491,872	86,543,678	152,402,287	35,640,519	907,217	205,303,121
Year ending Dec. 31, 1861	18,058,410	45,357,582	82,381,380	145,707,372	34,053,511	980,221	111,303,679
Increase, No.	1,308,327	1,134,290	4,162,298	6,694,915	1,587		
Decrease, No.	. . .	. . .	. . .	. . .	. . .	73	3,906
							558

ENGLAND AND WALES—*continued.*

Periods to which the Statement refers.	Goods Traffic.				
	Live Stock.			Minerals.	General Merchandise.
	Cattle.	Sheep.	Pigs.	Coal, Coke, and other Minerals.	
	No.	No.	No.	Tons.	Tons.
Year ending Decem- ber 31, 1862 . . .	2,196,128	5,894,801	1,212,476	51,442,384	24,689,677
Year ending Decem- ber 31, 1861 . . .	2,085,418	6,085,745	1,204,156	51,617,741	25,074,982
Increase, No. . . .	110,710	. . .	8,320		
Decrease, No. . . .	. . .	190,944	. . .	175,357	385,305

ENGLAND AND WALES—*continued.*

Periods to which this Statement refers.	Receipts (Gross) From Goods Traffic.					Total Receipts from all Sources of Traffic.
	Live Stock.	Coal, Coke, and other Minerals.	General Merchandise.	Total Receipts from Goods Traffic.		
	£.	£.	£.	£.	£.	
Year ending Decem- ber 31, 1862 . .	466,114	4,074,728	8,153,806	12,694,648	24,529,062	
Year ending Decem- ber 31, 1861 . .	473,479	4,323,174	7,978,803	12,775,456	24,021,928	
Increase . . . £	. . . 7,365	. . . 248,246	175,003	. . . 80,808	507,134	
Decrease . . . £			. . .			

SCOTLAND.

Passenger Traffic.								
Periods to which the Statement refers.	Number of Passengers (exclusive of Holders of Season and Periodical Tickets).				Number of Holders of Season and Periodical Tickets.	Carriages.	Horses.	Dogs.
	1st Class.	2nd Class.	3rd Class, including Parliamentary.	Total Passengers.				
	No.	No.	No.	No.				
Year ending Dec. 31, 1862	2,358,477	1,950,349	13,288,742	17,597,568	13,359	5,082	23,883	50,712
Year ending Dec. 31, 1861	2,372,074	2,054,124	12,818,359	17,244,557	10,501	6,014	27,977	62,793
Increase, No.	• • • 13,597	• • • 103,775	470,383 • • •	353,011 • • •	2,858 • •	932	4,094	12,081
Decrease, No.								

SCOTLAND—continued.

Periods to which the Statement refers.	Goods Traffic.					
	Live Stock.			Minerals.	General Merchandise.	
	Cattle.	Sheep.	Pigs.	Coal, Coke, and other Minerals.		
	No.	No.	No.	Tons.	Tons.	
Year ending Decem- ber 31, 1862 . .	438,133	1,454,283	82,245	11,717,464	4,094,098	
Year ending Decem- ber 31, 1861 . .	442,451	1,412,959	79,695	11,766,609	4,101,938	
Increase, No. . . .	. . .	41,324	2,550		7,840	
Decrease, No. . . .	4,318	. . .	. . .	

SCOTLAND—continued.

Periods to which this Statement refers.	Receipts (Gross) From Passenger Traffic.						
	Receipts From Passengers.					Total Receipts from Boxes, Luggage, Parcels, Carriages, Horses, Dogs, etc., by Passenger Trains.	Receipts from Mails.
	1st Class.	2nd Class.	3rd Class, including Parliamentary.	Holders of Season and Periodical Tickets.	Total from Passengers.		
	£.	£.	£.	£.	£.	£.	£.
Year ending Dec. 31, 1862	265,448	157,022	592,581	25,703	1,040,754	81,045	76,529
Year ending Dec. 31, 1861	265,092	170,757	560,205	24,860	1,020,914	73,012	78,195
Increase . £	356	13,735	31,376	843	19,840	8,033	1,666
Decrease . £	.	.	.	.	.	.	.
							26,207

SCOTLAND—continued.

Periods to which this Statement refers.	Receipts (Gross) From Goods Traffic.				Total Receipts from all Sources of all Traffic.
	Live Stock.	Coal, Coke, and other Minerals.	General Merchandise.	Total Receipts from Goods Traffic.	
Year ending Decem- ber 31, 1862 . .	£ 62,378	£ 848,223	£ 1,044,475	£ 1,955,076	£ 3,153,404
Year ending Decem- ber 31, 1861 . .	58,876	837,913	1,026,524	1,923,313	3,095,434
Increase . . . £	3,502	10,310	17,951	31,763	57,970
Decrease . . . £					

IRELAND.

Periods to which the Statement refers.	Passenger Traffic.						
	Number of Passengers (exclusive of Holders of Season and Periodical Tickets).				Number of Holders of Season and Periodical Tickets.	Carriages.	Horses.
	1st Class.	2nd Class.	3rd Class.	Total Passengers.			
	No.	No.	No.	No.	No.	No.	No.
Year ending Dec. 31, 1862	1,380,137	3,427,018	5,622,061	10,429,216	7,657	2,983	21,246
Year ending Dec. 31, 1861	1,487,452	3,734,966	5,456,792	10,679,210	7,525	3,250	21,022
Increase, £	107,315	307,948	165,269	249,994	132	267	224
Decrease, £							
							1,591

IRELAND—continued.

Periods to which this Statement refers.	Goods Traffic.				
	Live Stock.			Minerals.	General Merchandise.
	Cattle.	Sheep.	Pigs.	Coal, Coke, and other Minerals.	
Year ending Decem- ber 31, 1862 . .	No. 459,922	No. 451,814	No. 695,171	Tons. 246,016	Tons. 1,473,138
Year ending Decem- ber 31, 1861 . .	393,001	435,257	732,001	220,084	1,461,973
Increase, No. . .	66,921	16,587	. . .	25,932	11,165
Decrease, No. . .	. . .	. . .	36,830		

IRELAND—continued.

Periods to which this Statement refers.	Receipts (Gross) From Passenger Traffic.						
	Receipts From Passengers.					Receipts from Mails.	Total Receipts from ex-cess Luggage, Parcels, Carriages, Horses, Dogs, etc., by Passenger Trains.
	1st Class.	2nd Class.	3rd Class, including Parliamentary.	Holders of Season and Periodical Tickets.	Total from Passengers.		
	£.	£.	£.	£.	£.	£.	£.
Year ending Dec. 31, 1862	189,311	254,344	290,163	17,496	751,314	76,966	879,243
Year ending Dec. 31, 1861	201,810	272,391	291,368	17,942	783,511	73,110	907,882
Increase . £	12,499	18,047	1,205	446	32,197	3,856	28,639
Decrease . £							

IRELAND—continued.

Periods to which the Statement refers.	Receipts from Goods Traffic.				Total Receipts from all Sources of Traffic.
	Live Stock.	Coal, Coke, and other Minerals.	General Merchandise.	Total Receipts from Goods Traffic.	
	£.	£.	£.	£.	£.
Year ending Decem- ber 31, 1862 . .	94,129	34,455	438,265	566,849	1,446,092
Year ending Decem- ber 31, 1861 . .	89,027	33,106	417,978	540,111	1,447,993
Increase . . . £	5,102	1,349	20,287	26,738	1,901
Decrease . . . £	. . .	. . .	. . .	. . .

COMPARATIVE SUMMARY—continued.

Periods to which this Statement refers.	Goods Traffic.					
	Live Stock.			Minerals.	General Merchandise.	
	Cattle.	Sheep.	Pigs.	Coal, Cooke, and other Minerals.		
						Tons.
Year ending Decem- ber 31, 1862 . .	No. 3,094,183	No. 7,800,928	No. 1,989,892	Tons. 63,405,864	Tons. 30,256,913	
Year ending Decem- ber 31, 1861 . .	2,920,870	7,933,961	2,015,852	63,604,434	30,638,893	
Increase . . . No.	173,313	133,033	25,960	198,570	381,980	
Decrease . . . No.						

COMPARATIVE SUMMARY—continued.

Periods to which this Statement refers.	Receipts (Gross) From Passenger Traffic.						
	Receipts From Passengers.				Total Receipts from Excess Lu- nages, Parcels, Carriages, Horses, Dogs, etc., by Party, Trains.	Receipts from Mails.	Total Re- ceipts from Passenger Traffic.
	1st Class.	2nd Class.	3rd Class, including Parliamentary.	Holders of Season and Periodical Tickets.	Total from Passengers.		
	£.	£.	£.	£.	£.	£.	£.
Year ending Dec. 31, 1865.	3,332,380	4,018,221	4,639,250	305,422	12,295,273	1,076,604	13,911,985
Year ending Dec. 31, 1861	3,143,256	3,933,119	4,386,700	287,828	11,750,903	1,033,901	13,326,475
Increase . £	189,124	85,102	252,550	17,594	544,370	42,703	585,510
Decrease . £	.	.	.	.	.	.	1,563

COMPARATIVE SUMMARY—continued.

Periods to which this Statement refers.	Receipts (Gross) From Goods Traffic.				Total Receipts from all Sources of Traffic.
	Live Stock.	Coal, Coke, and other Minerals.	General Merchandise.	Total Receipts from Goods Traffic.	
	£.	£.	£.	£.	£.
Year ending Decem- ber 31, 1862 . .	622,621	4,957,406	9,636,546	15,216,573	29,128,558
Year ending Decem- ber 31, 1861 . .	621,382	5,194,193	9,423,305	15,238,880	28,565,355
Increase . . . £	1,239	. . .	213,241	. . .	563,203
Decrease . . . £	. . .	236,787	. . .	22,307	

COMPARATIVE SUMMARY—continued.

Periods to which this Statement refers.	Receipts (Gross) From Passenger Traffic.						
	Receipts From Passengers.				Total Receipts from Excess Luggage, Parcels, Carriages, Horses, Dogs, etc., by Railway Trains.		
	1st Class.	2nd Class.	3rd Class, including Parliamentary.	Holders of Season and Periodical Tickets.	Total from Passengers.	Total from Passengers.	Total Receipts from Passenger Traffic.
	£.	£.	£.	£.	£.	£.	£.
Year ending Dec. 31, 1865.	3,332,380	4,018,221	4,639,250	305,422	12,295,273	1,076,604	13,911,985
Year ending Dec. 31, 1866.	3,143,256	3,933,119	4,386,700	287,828	11,750,903	1,033,901	13,326,475
Increase . £	189,124	85,102	252,550	17,594	544,370	42,703	585,510
Decrease . £	.	.	.	.	.	.	1,563

COMPARATIVE SUMMARY—*continued.*

Periods to which this Statement refers.	Receipts (Gross) From Goods Traffic.				Total Receipts from all Sources of Traffic.
	Live Stock.	Coal, Coke, and other Minerals.	General Merchandise.	Total Receipts from Goods Traffic.	
	£.	£.	£.	£.	£.
Year ending Decem- ber 31, 1862 . .	622,621	4,957,406	9,636,546	15,216,573	29,128,558
Year ending Decem- ber 31, 1861 . .	621,382	5,194,193	9,423,305	15,238,880	28,565,355
Increase . . . £	1,239	. . .	213,241	. . .	563,203
Decrease . . . £	. . .	236,787	. . .	22,307	

This Comparative Summary does not show the year 1862 to have been one of general prosperity, and yet with a Decrease of Receipts from Goods Traffic, on all the Railways of the United Kingdom, of £22,307, there was an increase of Receipts, from all sources of Traffic, of £563,203.

This Increase was made by Receipts from Passenger Traffic, which exceeded the Total Receipts from Passenger Traffic in 1861, by £585,510. We may, therefore, attribute this increase in the Passenger traffic to the International Exhibition, and the decrease in the Goods traffic to the same public event.

The increase of Receipts from all sources of Traffic in England and Wales, in the year 1862, over the year 1861, was £507,134.

In Scotland, the increase was, £57,970.

But, in Ireland, the decrease was, £1,901.

The increase of Receipts from Passenger Traffic in England and Wales, in the year 1862, was, £587,942.

In Scotland, the increase was, £26,207.

But, in Ireland, the decrease was, £28,639.

The state of Ireland is anomalous, and baffles all calculation.

The Receipts from Goods Traffic in England and Wales, in the year 1862, show a decrease of £80,808.

In Scotland, an increase of £31,763.

In Ireland, an increase of £26,738.

The following calculations, made from the preceding Returns, show, at one view, the relative proportions of the Traffic on all the Railways of the United Kingdom, between the years 1861 and 1862.

IRELAND—continued.

Periods to which this Statement refers.	Goods Traffic.					
	Live Stock.			Minerals.	General Merchandise.	
	Cattle.	Sheep.	Pigs.	Coal, Coke, and other Minerals.		
	No.	No.	No.	Tons.	Tons.	
Year ending Decem- ber 31, 1862 . .	459,922	451,814	695,171	246,016	1,473,138	
Year ending Decem- ber 31, 1861 . .	393,001	435,257	732,001	220,084	1,461,973	
Increase, No. . .	66,921	16,587	. . .	25,932	11,165	
Decrease, No. . .	. . .	. . .	36,830			

IRELAND—continued.

Periods to which this Statement refers.	Receipts (Gross) From Passenger Traffic.						
	Receipts From Passengers.					Total Receipts from ex-cess Luggage, Parcels, Carriages, Horses, Dogs, etc., by Passenger Trains.	Receipts from Mails.
	1st Class.	2nd Class.	3rd Class, including Parliamentary.	Holders of Season and Periodical Tickets.	Total from Passengers.		
	£.	£.	£.	£.	£.	£.	£.
Year ending Dec. 31, 1862	189,311	254,344	290,163	17,496	751,314	50,963	76,966
Year ending Dec. 31, 1861	201,810	272,391	291,368	17,942	783,511	51,261	73,110
Increase . £	12,499	18,047	1,205	446	32,197	298	3,856
Decrease . £							
							28,639

IRELAND—continued.

Periods to which the Statement refers.	Receipts from Goods Traffic.				Total Receipts from all Sources of Traffic.
	Live Stock.	Coal, Coke, and other Minerals.	General Merchandise.	Total Receipts from Goods Traffic.	
	£.	£.	£.	£.	£.
Year ending Decem- ber 31, 1862 . .	94,129	34,455	438,265	566,849	1,446,092
Year ending Decem- ber 31, 1861 . .	89,027	33,106	417,978	540,111	1,447,993
Increase . . . £	5,102	1,349	20,287	26,738	1,901
Decrease . . . £	. . .	. . .	. . .	. . .

RAILWAY REFORM.

Passenger Traffic.								
Periods to which this Statement refers.	Number of Passengers (exclusive of Holders of Season and Periodical Tickets).				Number of Holders of Season and Periodical Tickets.	Carriages.	Horses.	Dogs.
	1st Class.	2nd Class.	3rd Class, including Parliamentary.	Total Passengers.				
	No.	No.	No.	No.				
Year ending Dec. 31, 1862	23,105,351	51,869,239	105,454,481	180,429,071	56,656,597	262,381	386,864	
Year ending Dec. 31, 1861	21,917,936	51,146,672	100,653,531	173,721,139	53,079,61	244,270	401,094	
Increase, No.	1,187,415	722,567	4,797,950	6,707,932	4,577	1,272	7,776	14,230
Decrease, No.	.	.	.	.	.	.	.	.

COMPARATIVE SUMMARY—continued.

Periods to which this Statement refers.	Goods Traffic.					
	Live Stock.			Minerals.	General Merchandise.	
	Cattle.	Sheep.	Pigs.	Coal, Cooke, and other Minerals.		
	No.	No.	No.	Tons.	Tons.	
Year ending Decem- ber 31, 1862 . .	3,094,183	7,800,928	1,989,892	63,405,864	30,256,913	
Year ending Decem- ber 31, 1861 . .	2,920,870	7,933,561	2,015,852	63,604,434	30,638,893	
Increase . . . No.	173,313	133,033	25,960	198,570	381,980	
Decrease . . . No.						

COMPARATIVE SUMMARY—continued.

Periods to which this Statement refers.	Receipts (Gross) From Passenger Traffic.					
	Receipts From Passengers.					Total Receipts from Excess Luggage, Parcels, etc., by Parly. Trains.
	1st Class.	2nd Class.	3rd Class, including Parliamentary.	Holders of Season and Periodical Tickets.	Total from Passengers.	
	£.	£.	£.	£.	£.	£.
Year ending Dec. 31, 185.	3,332,380	4,018,221	4,639,250	305,422	12,295,273	1,076,604
Year ending Dec. 31, 1861	3,143,256	3,933,119	4,386,700	287,828	11,750,903	1,033,901
Increase . £	189,124	85,102	252,550	17,594	544,370	42,703
Decrease . £	.	.	.	.	.	.
						585,510
						1,563
						13,911,985
						13,326,475

COMPARATIVE SUMMARY—*continued.*

Periods to which this Statement refers.	Receipts (Gross) From Goods Traffic.				Total Receipts from all Sources of Traffic.
	Live Stock.	Coal, Coke, and other Minerals.	General Merchandise.	Total Receipts from Goods Traffic.	
	£.	£.	£.	£.	£.
Year ending Decem- ber 31, 1862 . .	622,621	4,957,406	9,636,546	15,216,573	29,128,558
Year ending Decem- ber 31, 1861 . .	621,382	5,194,193	9,423,305	15,238,880	28,565,355
Increase . . . £	1,239	. . .	213,241	. . .	563,203
Decrease . . . £	. . .	236,787	. . .	22,307	

in weight $\frac{1}{2}$ oz. Now, after more than 20 years' experience, there is no reason why we should not follow that guide.

If we take Postage as a guide for Passengers, and compare the number of Letters of the United Kingdom in the year 1860, with the number of Letters in the year 1839, (the year before the uniform Penny Postage was established) we find the amount stands as follows :—

Number of Letters (1860)	. .	522,898,000
„ „ (1839)		75,908,000
„ Franks (,.)		6,563,000
		<hr/> 82,471,000
		<hr/>
Increase	. .	440,427,000

The following is the rate of increase in the number of Letters from the 10th January 1840, when the uniform charge of One Penny commenced, to the year 1861, both inclusive.

Year 1840	. . . . .	122 $\frac{1}{4}$	per cent.
Average of 5 years—1841–45	. . . . .	10	„
„ „ 1846–50	. . . . .	5	„
„ „ 1851–55	. . . . .	5 $\frac{3}{4}$	„
„ „ 1856–60	. . . . .	4 $\frac{1}{4}$	„
		<hr/> 147 $\frac{1}{4}$	
Year 1861	. . . . .	5 $\frac{1}{4}$	
		<hr/>	
Total	. . . . .	152 $\frac{1}{2}$	

With such an increase in the number of Letters, from reduction of Postage, it may not be unreasonable to calculate on a considerable increase in the Number of Passengers, from a similar reduction in Railway Fares.

The following rate of progressive yearly increase in the number of Passengers is assumed in the first Five Years :—

1st Year	.	.	.	.	.	100	per cent.
2nd	„	.	.	.	.	50	„
3rd	„	.	.	.	.	20	„
4th	„	.	.	.	.	10	„
5th	„	.	.	.	.	5	„
							—
Total							185 per cent.
							—

At this rate of yearly increase in the number of Passengers, the Receipts from Passenger Fares, at the reduced rates, in the 1st Five years, would be as shown in the following Tables :—

Table showing the Comparative results between the Actual and the Reduced Passenger Fares, on the Number of Passengers in the Year 1862.

Class.	Annual Receipts from Passengers. 1862.	Estimated Receipts from Passengers. 1862.	Loss. 1862.
1st Class, $2\frac{1}{2}d.$ a mile	£. 3,332,380	£.	£.
" 1d. a mile	. . . . .	1,332,952	1,999,428
" Loss . . . . .	. . . . .	. . . . .
2nd Class, $1\frac{3}{4}d.$ a mile	4,018,221	1,148,062	2,870,159
" $\frac{1}{2}d.$ a mile	. . . . .	. . . . .
" Loss . . . . .	. . . . .	. . . . .
3rd Class, 1d. a mile	4,639,250	1,159,812	3,479,438
" $\frac{1}{2}d.$ a mile	. . . . .	. . . . .
" Loss . . . . .	. . . . .	. . . . .
Holders of Season and Periodical Tickets . .	305,422	305,422	
Total £	12,295,273	3,946,248	8,349,025
Loss . . . . . £	. . . . .	8,349,025	
Proof . . . . . £	. . . . .	12,295,273	

Table showing the Estimated Loss to the Railway Companies on the Reduced Passenger Fares. 1st Year.

Class.	Actual Receipts from Passengers. 1862.	Increase in Number of Passengers. 100 per cent.	Estimated Receipts from Passengers. 1st Year.	Loss. 1st Year.
1st Class, 2½d. a mile	£. 3,332,380	100	£. 2,665,904	£. 666,476
" 1d. a mile	"	"	"	"
" Loss	"	"	"	"
2nd Class, 1½d. a mile	4,018,221	100	2,296,124	1,722,097
" ½d. a mile	"	"	"	"
" Loss	"	"	"	"
3rd Class, 1d. a mile	4,639,250	100	2,319,624	2,319,626
" ½d. a mile	"	"	"	"
" Loss	"	"	"	"
Holder of Season and Periodical Tickets	"	"	"	"
Total	£. 12,295,273	"	£. 7,587,074	£. 4,708,199
Loss	"	"	"	"
Proof	"	"	£. 12,295,273	"

Table showing the Estimated Gain to the Railway Companies at the Reduced Passenger Fares. 3RD YEAR.

Class.	Actual Receipts from Passengers. 1862.	Increase in number of passengers. 20 per cent.	Estimated Receipts from Passengers. 3rd Year.	Loss. 3rd Year.	Gain. 3rd Year.
	£.		£.	£.	£.
1st Class, 2½d. a mile	3,332,380	20	4,798,627		
" 1d. a mile . . . . .	. . . . .		. . . . .		1,466,247
" Gain . . . . .	. . . . .		. . . . .
2nd Class, 1½d. a mile	4,018,221	20	4,183,023		
" ½d. a mile . . . . .	. . . . .		. . . . .		114,802
" Gain . . . . .	. . . . .		. . . . .
3rd Class, 1d. a mile	4,639,250	20	4,175,323		
" ½d. a mile . . . . .	. . . . .		. . . . .
" Loss . . . . .	. . . . .		. . . . .	463,927	
Holders of Season and Periodical Tickets	305,422		305,422		
Total	12,295,273		13,412,391	163,927	1,581,049
Gain . . . . .	. . . . .		1,117,121		463,927
Proof . . . . .	. . . . .		12,295,273		1,117,122

Table showing the Estimated Gain to the Railway Companies at the Reduced Passenger Fares. 4TH YEAR.

Class.	Actual Receipts from Passengers. 1862.	Increase in Number of Passengers. 10 per cent.	Estimated Receipts from Passengers. 2nd Year.	Loss. 4th Year.	Gain. 4th Year.
1st Class, 2½d. a mile	£. 3,332,380		£.	£.	£.
" 1d. a mile	. . . . .	10	5,278,489	.	1,946,109
" Gain	. . . . .	.	. . . . .	.	.
2nd Class, 1½d. a mile	4,018,221				
" ½d. a mile	. . . . .	10	4,546,325	.	528,104
" Gain	. . . . .	.	. . . . .	.	.
3rd Class, 1d. a mile	4,639,250				
" ½d. a mile	. . . . .	10	4,592,855	46,395	
" Loss	. . . . .	.	. . . . .	.	.
Holder of Season and Periodical Tickets	305,422	.	305,422		
Total	12,295,273	.	14,723,091	46,395	2,474,213
Gain	. . . . .	.	2,427,818		46,395
Proof	. . . . .	.	12,295,273		2,427,818

Table showing the Estimated Loss to the Railway Companies at the Reduced Passenger Fares. 5TH YEAR.

Class.	Actual Receipts from Passengers. 1862.	Increase in Number of Passengers. 5 per Cent.	Estimated Receipts from Passengers. 5th Year.	Gain. 5th Year.
1st Class, 2½d. a mile	£. 3,332,380	5	£. 5,542,413	£. 2,210,033
" 1d. a mile	"	"	"	"
" Gain	"	"	"	"
2nd Class, 1½d. a mile	4,018,221	5	4,773,641	755,420
" ½d. a mile	"	"	"	"
" Gain	"	"	"	"
3rd Class, 1d. a mile	4,639,250	5	4,822,497	183,247
" ½d. a mile	"	"	"	"
" Gain	"	"	"	"
Holders of Season and Periodical Tickets	305,422	"	305,422	"
Total	12,295,273	"	15,443,973	3,148,700
Gain	"	"	3,148,700	"
Proof	"	"	12,295,273	"

SUMMARY.

		£.		Increase per cent.
1st Year.	Loss	4,708,199	. . . .	100 p. cent.
2nd „	„	1,067,373		
		<hr/>	5,775,572	50 „
3rd „	Gain	1,117,122	. . . .	20 „
4th „	„	2,427,818	. . . .	10 „
5th „	„	3,148,700	6,693,640	5 „
		<hr/>	<hr/>	<hr/>
Balance of Gain to the				
Companies		£918,068	185 p. cent.	
		<hr/>	<hr/>	

Thus, it appears that, in Five years, with a progressive yearly increase in the number of passengers of 185 per cent., the aggregate Loss to the Railway Companies on the reduced passenger fares, at the end of the 2nd year, would be £5,775,572, and at the end of the 5th year, the aggregate Gain to the Companies would be £6,693,640, leaving a Balance of Gain to the Companies of £918,068.

In addition to this would be the yearly Gain in the Exemption from Rates and Taxes and the

Government Duty on Passengers, which, as paid in the year 1862, were as follows :—

	£.
Payments by the Railway Companies of the United Kingdom for Rates and Taxes, in 1862 . .	569,410
Payments for Government Duty on Passengers in 1862	375,067
Total . .	<u>£971,477</u>

In addition to these payments, to be remitted, would be the Government Duty on Fire Insurance, and Parliamentary Fees.

These sums together would form a large compensation fund for the loss of the yearly payments by the Post Office to the Railway Companies for the Conveyance of the Mails, which payments, in the year 1862, amounted to £507,279, and may be taken, on the average, at £500,000 a year, and also for the temporary Loss to the Companies in the first few years of the Reduced Passenger Fares.

The Rates and Taxes and the Government Duty are yearly charges increasing in proportion to the yearly increasing Passenger and Goods Traffic, and from these charges the Railway Companies will be relieved for ever.

The Government Duty on Fire Insurance, and Parliamentary Fees, are fluctuating and uncertain charges, and but small considerations in this question, but from these charges, whatever they are, the Railway Companies will be relieved for ever.

There will be another saving to the Companies, and to the Public a saving of Life and Limb, in the Abolition of Excursion Trains, for these will probably be discontinued as a necessary consequence of the Reduced Fares.

The rates of charge by Excursion Trains vary, but may be taken on the average as follows:—

1st Class	$\frac{1}{2}d.$	a mile.
2nd „	$\frac{1}{4}\frac{7}{10}d.$	„
3rd „	$\frac{1}{4}d.$	„

The Companies may then also find it to their advantage to abandon the system of Return Tickets, and if they continue the system of Season and Periodical Tickets it will probably be on terms more advantageous to themselves than at present.

The period of time for the turn in favor of the Railway Companies, at the Reduced Passenger Fares, may be a little more or less extended, but that turn, when it does take place, may be expected to show a continually increasing balance

in favor of the Companies, as every successive year shows an improved revenue to the Post Office.

Taking the results of the Reform in the Post Office as furnishing some data for estimating the results to be expected from a similar Reform in Railways, it will be convenient, and not uninteresting, here to give a few of the principal facts, bearing on the present question, as found in the Ninth Annual Report on the Post Office, being that for the year 1862.

The subjoined Table shows that the distance over which the Mails were conveyed, within the United Kingdom, by Railways, Mail Coaches, Mail Carts, Steam Packets, Boats, and Foot Messengers, in the year 1862, was, 158,603 miles a day; being upwards of 7000 miles more than at the end of 1861, although the increase in the number of Letters in the year 1861, in comparison with the year 1860, was $5\frac{1}{4}$ per cent., and the increase in the year 1862, in comparison with the year 1861, was only 2 per cent., and the increase in the number of stamped Newspapers, in the year 1862, was $\frac{1}{2}$ per cent. less than in the year 1861.

Table showing the Number of Miles, and the average charge per Mile, of the Mails conveyed within the United Kingdom in the Year 1862.

Mails Conveyed by Railways.							Mails Conveyed by Mail Coaches, Omnibuses, Mail Carts, etc.							
	Number of Miles per Week-Day.	Average Charge per Mile.		Maximum.	Minimum.		Number of Miles per Week-Day.	Average Charge per Mile.		Maximum.	Minimum.			
		s.	d.					s.	d.				s.	d.
England .	37,880	0	6½	3	2½	¼	20,325	3	1	0	{ Exemption from Tolls. Do. ¼			
Ireland .	4,645	0	11	4	1	¼	8,277	1½	0	7¼				
Scotland .	7,249	0	7	4	0	¼	4,769	3	0	6½				
United Kingdom }	49,782	0	6¾	4	1	¼	33,371	2½	1	0	{ Exemption from Tolls.			
Mails Conveyed on Foot.							Mails Conveyed by Packets and Steam Boats between different Places in the United Kingdom.							
	Number of Miles per Week-Day.	Average Charge per Mile.		Maximum.	Minimum.		Number of Miles per Week-Day.	Average Charge per Mile.		Maximum.	Minimum.			
		s.	d.					s.	d.				s.	d.
England .	52,141	1½	4¼	¾	¾		1,169	0	6*	2	0*	{ Exemption from Tolls. ¼		
Scotland .	8,680	1¼	2	¾	¾		630	1½	0	8				
Ireland .	11,784	1½	3	¾	¾		1,613	0	4¼	1	10¼			
United Kingdom }	72,605	1½	4¼	¾	¾		2,845	0	4¾	2	0	{ Exemption from Tolls.		

* In calculating these amounts, the payments to the Chester and Holyhead Railway Company and for the Holyhead and Kingstown Packets have been omitted, as only part of those payments is for postal service.

LETTERS, NEWSPAPERS, AND BOOKS.

*The following Table shows the Number of Letters delivered in the United Kingdom during the Year 1862, and the proportion of Letters to Population.**

	Number of Letters in 1862.	Increase per Cent.† on Number in 1861.	Proportion of Letters to Population.
England . . .	497 millions	About 2½	24 to each Person.
Ireland . . .	51 „	„ 2	9 to each Person.
Scotland . . .	57 „	„ 1½	19 to each Person.
United Kingdom	605 millions	„ 2	21 to each Person.‡

* This Table is to some extent an Estimate, being the result of a calculation founded on a record of the actual number of Letters delivered in one week of each quarter in the year. At page 69 will be found a statement of the estimated number of Letters in each year since 1838, and at pages 70 and 71 an estimate of Books and Newspapers during each of the last six years.

† The rate of increase is calculated from the numbers given with greater minuteness in the Table at page 69.

‡ At Liverpool and Birmingham the proportion is as high as 50 Letters to each person, at Bristol 35, Manchester 38, Dublin 39, Edinburgh 41, and London 49.

As compared with 1861, the total shows an increase of 12 millions, and as contrasted with the year previous to the introduction of Penny Postage (1839) an increase (omitting franks) of 529 millions; making the present number of Letters very nearly eight-fold the number in 1839.

It will be seen by the following Table, showing the rate of increase during the five years, from 1858 to 1862 inclusive, as compared in each instance with the rate in the foregoing year, that the augmentation in the year 1862 was unusually small. Nevertheless, the accumulated increase is so great that, in the London District alone the number of Letters is now nearly double that which (before the adoption of penny postage) was delivered in the whole of the United Kingdom, London included; this aggregate number being now nearly equalled by the mere local Letters in the London District:—

1858	$3\frac{3}{4}$	per cent.
1859	$4\frac{1}{4}$	„
1860	$3\frac{1}{2}$	„
1861	$5\frac{1}{4}$	„
1862	2	„

Average Annual Increase about $3\frac{3}{4}$ per cent.

While the increase in the number of Letters generally has been small, the increase of printed Circulars has been unusually great, amounting in the year 1862 (so far at least as the London Office was concerned) to more than 11 per cent. It was remarked that, in relation to the Lambeth Election, there were as many as 40,000 circulars posted in a single day.

In the year 1862 the number of Valentines which passed through the London Office was upwards of 430,000, showing an increase of more than 20,000 upon the previous year, and in the present year there has been a further and yet larger increase.

It is found that more than 91 per cent. of the inland letters are sent in envelopes; but the number of foreign and colonial letters so despatched is, as might be expected, smaller; being about 65 per cent.

The number of Newspapers delivered in the year 1862 was nearly 73,000,000, which is about half a million more than in the previous year; and the number of Book Packets was rather more than 14,000,000, being an increase upon the previous year of about 1,700,000, or nearly 14 per cent.

Nearly half a million of Letters passed through the temporary Post Office which was provided in

the building for the International Exhibition, in 1862.

POSTAGE REVENUE AND EXPENDITURE.

Gross Revenue.

The gross Revenue of the Post Office in the year 1862, and its comparison with that of 1861, are as follows :—

Postage.

	1862.	1861.
	£.	£.
England	2,913,522	2,833,699
Ireland	260,947	258,778
Scotland	322,166	310,214
	<hr/>	<hr/>
	3,496,635	3,402,691

Commissions on Money Orders.

England	116,837	109,233
Ireland .	9,475	8,888
Scotland	10,642	9,745
	<hr/>	<hr/>
	136,954	127,866
	<hr/>	<hr/>
	£3,633,589	£3,530,557
	<hr/>	<hr/>

To this sum of £3,633,589 must be added £130,415 for impressed Stamps on Newspapers,

(collected by the Commissioners of Inland Revenue) making a total of £3,764,004, which being adjusted with reference to the balances due to and for the Colonies, gives a gross revenue, properly appertaining to the year, of £3,777,304.

This sum shows an income of £114,306 on the adjusted gross revenue of 1861, being an increase at the rate of rather more than 3 per cent. which is about 1 per cent. less than the average of the last 5 years.

Subjoined is a statement of the increase or decrease of the adjusted gross revenue under four principal heads.

	Increase. £.	Decrease. £.
Produce of impressed Stamps on Newspapers		4,156
Commission on Money Orders	9,088	
Postage of Public Departments		16,645
General Business	126,019	
	<hr/> 135,107	<hr/> 20,801
Net Revenue		<hr/> £114,306

The increase in Public Departments in 1861, was owing to the great amount of official correspondence arising from the Census.

EXPENDITURE.

The following Table gives both the Actual Expenditure in 1862, and the Expenditure properly appertaining to that year, compared in both respects with the year 1861.

Heads of Service.	Actual Expenditure.		Expenditure properly appertaining to the year (partly estimated).	
	1862.	1861.	1862.	1861.
	£.	£.	£.	£.
Salaries, Pensions, etc.	1,133,628	1,102,576	1,129,500	1,102,576
Buildings, Repairs, etc.	68,115	67,519	61,898	48,280
Conveyance of Mails.				
By Railways	526,966	655,047	507,279	500,000
" Coaches, Carts etc., and Wages of Mail Guards	159,629	173,107	169,629	173,107
" Mail Packets.				
British Portion	964,260	981,076		
Colonial Portion	145,208	139,586		
Total	1,109,468	1,120,662		
Deduct payments made by Colonies	264,507	171,434		
	844,961	949,228	470,000	470,000
By private ships.	1,948	1,821	1,948	1,821
Manufacture of Postage Labels	28,593	25,972	28,393	25,972
Stationery	25,821	27,897	25,821	27,897
Miscellaneous	145,895	151,360	145,895	151,860
£	2,945,356	3,154,527	2,540,527	2,501,013

It will be seen that the Expenditure properly appertaining to the year 1862 was greater than that of 1861 by £39,350, which increase is at the rate of rather more than $1\frac{1}{2}$ per cent. as compared with an income of rather more than 3 per cent. in the gross revenue.

The increase under the head of "Salaries, Pensions, etc." is made up of increments of Salaries and wages generally, of a larger amount of poundage on Postage Stamps and for Money Order business, and of a greater cost of travelling Post Offices arising from their extended use.

The excess of the actual expenditure for Railway Conveyance in the last two years over the Expenditure properly appertaining to those years, was owing to the payment of large sums of money which had accumulated whilst some arbitrations, now settled, were pending.

The continued decrease in the cost of Stationery is mainly owing to the operation of the economical arrangements specially referred to in the last Annual Report.

NET REVENUE.

The net revenue in the year 1862, viz. the difference between the adjusted gross revenue and the adjusted expenditure, was £1,236,941, being an increase of £74,956 on the net revenue

of 1861. If, however, the whole cost of the Packet Service were placed to the debit of the Post Office, instead of part being assigned to political purposes, the net revenue would be reduced to £746,681.

The increase on the net revenue is at the rate of nearly $6\frac{1}{2}$ per cent. as compared with $5\frac{1}{4}$ per cent. in 1861.

The following Table shows the increase in the number of Letters following the establishment of the uniform Penny Postage.

ESTIMATED NUMBER of CHARGEABLE LETTERS *delivered in the United Kingdom in the year immediately preceding the first general Reduction of Postage on the 5th day of December, 1839, and in the year subsequent thereto; also, (in the first year) the number of Franks.*

Year ending 31st December.	Total in United Kingdom.	Increase per cent. per annum.
Estimated No. of Letters, } 1839 }	75,908,000	
Estimated No. of Franks, } 1839 }	6,563,000	
Estimated No. of Letters, } 1840 }	168,768,000	122½
Average of 5 years, 1841–45	227,777,000	10
„ „ 1846–50	327,006,000	5
„ „ 1851–55	410,166,000	5¾
„ „ 1856–60	522,898,000	4½
Year 1861	593,240,000	5½
„ 1862	605,471,000	2

**ESTIMATED NUMBER of BOOK PACKETS and CHARGE-
ABLE NEWSPAPERS *delivered in the UNITED
KINGDOM since 1855.***

Year ending 31st December.	Total in United Kingdom.	Increase per cent. per annum.
Estimated No. of Book Packets and chargeable Newspapers, 1856 . }	20,249,000	
Average of 5 years, 1856-60	28,429,000	15½
Year, 1861	38,885,000	7½
„ 1862	41,814,000	7½

By “chargeable Newspapers” are meant Newspapers not bearing the impressed Newspaper stamp, and the postage of which is consequently paid in postage stamps or money.

ESTIMATED NUMBER of FREE NEWSPAPERS *delivered*
in the UNITED KINGDOM, since 1855.

Year ending 31st December.	Total in United Kingdom.	Decrease per cent. per annum.
Estimated number of Free } Newspapers, 1856 . }	53,790,000	
Average of 5 years, 1856-60	50,283,000	3½
Year 1861	45,712,000	2
„ 1862	45,047,000	1½

By “Free Newspapers” are meant all British Newspapers and Publications bearing the *impressed Newspaper stamp*, and all Newspapers from Abroad upon which no charge has been made in this country.

GROSS REVENUE, COST OF MANAGEMENT, and NET REVENUE, of the Post Office of
the UNITED KINGDOM, since the year 1837.

Year.	Gross Revenue.	Cost of Management.	Net Revenue.	Postage charged on Government Departments.
1838	£ 2,346,278	£ 686,768	£ 1,659,510	£ 45,156
1839	2,390,763	756,999	1,633,764	44,277
1840	1,359,466	858,677	500,789	90,761
Average of 5 years, 1841-45	1,638,214	1,001,405	656,809	112,468
" " 1846-50	2,143,717	1,304,772	838,944	110,798
" " 1851-55	2,569,836	1,441,334	1,128,502	157,003
" " 1856-60	3,135,587	1,785,911	1,349,676	145,566
1861	3,528,427	2,003,116	1,525,311	179,012
1862	3,646,889	2,044,542	1,602,347	162,367

In this Table the Revenue does not include the produce of the impressed Stamp on Newspapers, and the Expenditure does not include either the cost of the Packet Service or that of Stationery.

This form of stating the Finance Accounts has been adopted with a view to facilitate comparison.

The adjusted and correct revenue of the Post Office for the year 1862, will be found under the head, " Net Revenue," at page 67.

The year 1838 was the last complete year before the general reduction of postage.

On the 5th December, 1839, the maximum Inland Postage for a single Letter was reduced to 4*d*.

On the 10th January, 1840, the postage on all Inland Letters weighing not more than $\frac{1}{2}$ oz. was reduced to a uniform charge of one penny.

Amount of Postage (including Postage Stamps sold by the Post Office and by the Office of Inland Revenue) during the years 1861 and 1862, at those Towns in the United Kingdom where the amount was largest.

	1861.	1862.
<i>England.</i>		
Bath	17,795	18,433
Birmingham	48,818	50,272
Bradford, Yorkshire	17,098	19,640
Brighton	21,945	22,579
Bristol	33,865	35,720
Cheltenham	11,834	12,315
Exeter	16,334	16,739
Hull	20,561	20,819
Leeds	30,641	32,736
Leicester	10,420	11,238
Liverpool	115,268	117,676
London	979,662	1,033,268
Manchester	102,263	98,650
Newcastle-on-Tyne	24,844	25,998
Norwich	12,740	12,997
Nottingham	12,237	13,376
Plymouth	11,520	11,493
Sheffield	20,364	21,188
Southampton	15,182	15,852
York	13,368	13,850
<i>Ireland.</i>		
Belfast	18,431	19,189
Cork	13,418	13,568
Dublin	67,458	65,199
<i>Scotland.</i>		
Aberdeen	15,283	16,326
Edinburgh	73,863	74,569
Glasgow	70,476	73,809

The amount of postage here charged against London includes £163,837 for postage charged on Public Departments.

Any estimate of prospective gain to the Railway Companies from the proposed reduction of Passenger fares must be uncertain, nor does experience of the increase in the number of letters from reduction of postage afford any sure ground for estimating the increase in the number of Passengers by Railway.

It will be said—there is not much analogy between letters and travellers. But there is some, and in the absence of any better guide this is taken as the best. At all events, these lately published statistics of the Post Office are interesting, and worthy of careful consideration in this question with the Railways. Now, it appears that, in the year 1862, the increase in the number of Letters in the United Kingdom was very nearly eight-fold the number in 1839, and that this increase was the effect of the reduction in the postage of Letters from an average, according to Colonel Maiberly's evidence, of 1*s.* to the uniform charge of one penny for each Letter not exceeding in weight half an ounce.

It also appears that this increase is going on at the annual average rate of $3\frac{1}{4}$ per cent. taking the average on 5 years to 1862 inclusive, and the augmentation in the year 1862 being unusually small.

It also appears that the proportion of Letters

to Persons in 1862, was 24 Letters to each Person in England and Wales, 9 Letters to each Person in Ireland, and 19 Letters to each Person in Scotland, or, 21 Letters to each Person in the United Kingdom.

This is a very expressive fact as regards the state and condition of Ireland, where the number of Letters is less than half that of Scotland.

But, taking the principal Cities, for instance, Liverpool and Birmingham, the proportion is as high as 30 Letters to each person; in Bristol, 35; in Dublin, 39; in Edinburgh, 41; and in London, 49.

This is a no less remarkable fact as regarding Edinburgh, and how to account for it is by no means clear.

These proportions seem to be confirmed by the amount of postage charged to these Cities and Towns in the years 1861 and 1862, as given in the Table on page 74.

It also appears that the payments by the Post Office to the Railway Companies, in the year 1862, for the conveyance of Mails, exclusive of Mail Packets, amounted to £507,279, and that these payments, at the present time, may be taken, at not less than £600,000 a year.

These are facts not to be disputed, though the

manner in which I am about to use them may be, and probably will be disputed.

It is assumed that people in general write Letters because they cannot conveniently communicate verbally in person. If people in general could communicate verbally in person with as little loss of time and money as they can now communicate through the Electric Wire, probably the number of Letters passing through the Post Office would be very much diminished.

It is, therefore, assumed that personal transmission by Railway will increase as the cost in time and money is diminished.

The question, therefore, is:—In what proportion to the reduced Fares, would be the increase in the number of Railway Passengers?

We see that the great Manufacturing and Commercial Cities are the largest contributors to the Revenue of the Post Office. We may, therefore assume that Business has a great deal to do with this question.

Now, all business is pursued with a view to profit, and profit means, pleasure to follow. It often does follow, especially when the business has been successful. But there are a great many persons whose whole business of life is pleasure.

Therefore, for profit or pleasure, and both, the whole population, between childhood and old

age, may be taken as the travelling population; and, in our United Kingdom, these may be taken, at the least, at 20 millions.

Seeing that the effect of the reduction of postage has been to give 21 Letters to each man; woman, and child in the Kingdom, it may not be too much to assume that a something similar reduction of Passenger Fares by Railway, will produce something like a similar effect, by increasing the number of Railway Passengers in something like the same proportion. If so, it may not be too much to assume that 20 millions, or two-thirds of the whole population, will, on the average, travel by Railway 20 times in the year.

This Estimate gives 400 millions of Passengers to the Railways of the United Kingdom in the year.

The actual number of Passengers on the Railways of the United Kingdom, in the year 1862, including Season and Periodical Tickets, was 180,485,727, which allows the whole population to travel by railway 6 times in the year.

As the reduced Fares will throw a greater proportion of Passengers into the 1st and 2nd Classes, than under the present Fares, the following is assumed as the probable scale of division among the three Classes, viz. :—

Passengers.				
1st Class, at 1 <i>d.</i> a mile	.	.	80,000,000	
2nd „ ½ <i>d.</i> „	.	.	120,000,000	
3rd „ ¼ <i>d.</i> „	.	.	200,000,000	
Total Passengers	.	.	400,000,000	

Taking these numbers for the Passengers on all the Railways in the United Kingdom, charged at these rates per mile, and making the calculation on each of the three Classes in proportion to the amount given in the Return to Parliament, as the actual Receipt from each of the three Classes, in the year 1862, exclusive of Season and Periodical Tickets) the Comparative Account will stand thus :

Actual Receipts (Gross) From Passengers in 1862.

	Number of Passengers.	Rate per Mile.	Receipts.	Total Receipts.
		d.	£.	£
1st Class .	23,105,351	2½	3,332,380	11,989,851
2nd „ .	51,869,239	1½	1,018,221	
3rd „ .	105,454,481	1	4,639,250	
	180,429,071			
Estimated Receipts (Gross) From Passengers.				
		d.		
1st Class .	80,000,000	1	4,615,214	9,470,910
2nd „ .	120,000,000	½	2,656,052	
3rd „ .	200,000,000	¼	2,199,644	
	400,000,000			
			Loss £	2,518,941

On this calculation of 400 millions of Passengers by all the Railways of the United Kingdom in the year, at the reduced fares on the aggregate number of miles travelled in the year 1862, and making the proposed allowances and drawback, the year's account of the Estimated Receipts from Passenger traffic, in comparison with the Actual Receipts from Passenger traffic in the same year, the loss to the Railway Companies would be £2,518,941.

Assuming an increase of only 5 per cent. on the Receipts from Passengers in the 2nd Year, the Account would stand thus:—

	£.
Loss on Passenger Traffic, 1st year .	2,518,941
„ on Post-Office Payment, re-	
mitted	507,279
	<hr/>
	3,026,220
Increase in the 2nd year	
5 per cent.	473,545
Rates and Taxes, as paid	
in 1862, exempted .	596,410
Government Duty, as	
paid in 1862, ex-	
empted	375,067
	<hr/>
	1,445,022
	<hr/>
Loss in the 2nd Year .	£1,581,198

Assuming a further increase of 5 per cent. in the 3rd Year, the Account would stand thus :

	£.
Loss on the 2nd Year	1,581,198
„ on the Post-Office payment, re- mitted	507,279
	<hr/>
	2,088,477
Increase on the 3rd Year, 5 per cent.	522,083
Rates and Taxes, as paid in 1862, exempted	596,410
Government Duty, as paid in 1862, ex- empted	375,067
	<hr/>
	1,493,560
Loss on the 3rd Year	£594,917

Assuming a further increase of 5 per cent. in the 4th Year, the Account would stand thus :—

	£.	£.
Increase in the 4th Year 5 per cent.	548,188	
Rates and Taxes, as paid in 1862, exempted	596,410	
Government Duty, as paid in 1862, ex- empted	375,067	
	<hr/>	
		1,519,665
		G

	£.
Increase brought forward . . .	1,519,665
Loss on the 3rd Year . . .	594,917
„ on Post-Office pay- ment, remitted . . .	507,279
	<hr/> 1,102,196
Gain on the 4th Year . . .	<hr/> £417,469

The question has now been presented under two distinct series of calculations, made on different data, but both founded in some respects on the experience of the Post Office, and the result of both is much the same.

The first series of calculations is on the assumed data of a progressive yearly increase in the number of passengers, on the actual number in the year 1862, of 100 per cent. in the 1st year, and a progressive yearly increase in the four following years, of 50 per cent., 20 per cent., 10 per cent., and 5 per cent. This shows an aggregate loss to the Railway Companies, at the end of the 2nd year, of £5,775,572; and at the end of the 5th year, an aggregate gain to the Companies of £6,693,640, leaving a balance of gain to the Companies of 918,068. This is exclusive of the proposed Allowances and Drawbacks.

The second series of calculations is on the as-

sumed increase in the number of passengers, on the actual number in 1862, of 221·693 per cent. in the 1st Year, and a progressive yearly increase, in the three following years, of 5 per cent. This shows a gain to the Railway Companies, at the end of the 4th year, of £417,469. This is inclusive of the proposed Allowances and Draw-back.

For convenience in these calculations the amount of payments for Government Duty and Rates and Taxes, and also of receipts from the Post Office, are taken as paid and received by the Railway Companies in the year 1862, though it is obvious that these payments and receipts would have increased in proportion to the increase in the number of Passengers and Letters.

The yearly payments by the Post Office to the Railway Companies may be taken to amount, at the present time, to upwards of £600,000.

The loss of this yearly payment, at the least, among the Railway Companies, will be open to no uncertainty, and they will reasonably require to see the time when this loss will be made up to them.

The important question, therefore, is, the probable increase in the number of Passengers, and this can be answered only by experience. This question will receive due consideration both

from the Railway Companies and the Government.

The Public will also consider this in the whole question, as Railway Shareholders, or as Railway Travellers, and if their interests conflict, their numbers and influence, on both sides, will, perhaps, nearly balance.

Viewed by whatever party, it will be seen that, in the large item saved in the yearly expenditure of the Post Office, there will be an ample compensation to the Government for all Government Duties remitted; and if a little more of the burden be thrown upon the Landowners and Householders to make up for the exemption of Railways from the assessments for Poor Rates, County and District Rates, Sanitary Rates, Burial Board Rates, Library Rates, etc., to which the Railways are now liable, there will be ample compensation in cheaper and more comfortable Railway travelling, and in the increased prosperity of the country.

The three parties in this question, then, are,—the Railway Companies, the Government, and the Public. The antagonism, if there be any, will be between the Companies and the Public. The Government, constitutionally, is only the Conservator of the Public interests. When these are protected, the duty of the Government is to

carry out the will of the People. But it can never be for the interests of the People that the Government should sanction any measure,—however much, apparently, for the Public good,—which is a breach of public good faith.

The rights of the Railway Companies must, therefore, be recognized and respected. They must not be deprived of any of the rights and privileges already conferred upon them by Parliament, without their own consent. Any concessions made by the Railway Companies must be on the principle of a full equivalent.

The question with the Railway Companies, therefore, is one of equivalents, in a bargain between the Companies and the People. The Companies may decline to treat on this principle, but then Parliament,—meaning the People,—may decline to make any further concessions to the Railway Companies. The Parliament, representing the People, will then refuse any further assistance to the Companies so declining, and Parliament may confine its further assistance to those Companies which are consenting. The dissenting Companies could not long hold out in their refusal to treat on this principle.

This presents the question in a fair point of view. On this principle the Government may now make those arrangements with the Railway

Companies for the Public good, which ought to have been made at the first, and which could have been made then on better terms for the Public than can be now.

Such would be the simple result of the proposed changes as regards the Railway Companies, leaving out of the question the additional expenditure, and loss in wear and tear, consequent on the increased Passenger traffic.

As regards the Government, the loss would be, simply, the Duty now paid on Passengers, being, in the year 1862, £375,067, against which would be the Gain in the saving to the Post Office of £507,279, that being the sum paid by the Post Office to the Railway Companies in the year 1862. The loss to the Government from the remission of Fire Insurance Duty and Probate and Legacy Duties, if anything, would be too small to deserve further notice.

To the Public, the change would be attended with Gain only ; and that would be incalculably great, for it would give the People loco-motive power at a rate so small, as sensibly to improve their condition in incalculable ways. It would tend to put into motion, and to keep in motion, a much larger portion of the population than at present, and this would largely increase the industry of the People, and the wealth of the Na-

tion. It would teach the People to value time at its worth, and to unite their efforts for the common good of all. It would be, as the Postage Reform has been, another step in advance to Freedom and Free Trade, and not in this country only, but throughout the civilized world; for, wherever Railways are, this Reform would follow; as, wherever Letters were, the Penny Postage Stamp followed, and wherever Letters go, the Railway will follow.

The steps in progress, as we see them, are gradual and slow, but each is helping the other, and all are leading to freedom of thought and action. For this progress, it seems as if a combination of the physical and moral powers in Nature were required, and were intended to go on enlarging together. The time may come when all the hard manual labor of the world will be reduced to little more than superintending and directing machinery, thus bringing into action, and applying to all the ordinary human purposes, the inert powers of Nature.

In our own time, the first great step in progress was in perfecting the Steam Engine. For many years little result was observable from that great discovery. Nearly contemporaneous with that improvement by Watt was the establishment of the Mail Coach by Palmer. Then came the ap-

plication of the steam-engine, by Fulton, to the propelling of boats through the water ; a discovery little regarded for a great many years afterwards. Then came the Locomotive Engine, by Stephenson, so little regarded at first as to be impeded in its application by much opposition.

Then the old Mail Coach was displaced by the Railway Carriage. Next came the Postage Reform by Rowland Hill ; and now the Railways carry nearly all the Passengers and Goods traffic by land in the Kingdom.

Now comes the Railway Reform.

The Postage Reform was the adaptation of the new means to the old end.

The Railway Reform is nothing more.

The Mail-Coach superseded the Letter-Carrier mounted on horseback.

The Railway Carriage superseded the Mail-Coach for the conveyance of Letters, Newspapers, Parcels, etc., the Stage-Coach and the Post-chaise for the conveyance of Travellers, and the Waggon for heavy goods.

The Highways are now nearly deserted wastes. But these served the purposes of past days,—days passed for ever.

Luxuries of a past age are necessities for the present. To stop improvement in its progress is to inflict misery on the multitude. To give the

benefit of progress to one class and to exclude another class, is a national wrong and a fruitful source of evil. To hinder the poor from participating in the improvements with the rich, is to hinder progress. The work of improvement is incomplete until all participate according to their means. But, for this, the price of participation must be brought down to the level of their means.

This is only the more perfect adaptation of the means to the end, and to hasten the progress of improvement. By such means as these will all classes of the People be united for the common good.

And yet, how strong has been the tendency, in all times, to retard the progress of human improvement, even in those from whom the highest aspirations might have been expected !

It is very remarkable, and, doubtless, will be remarked upon with astonishment by posterity, that, in our time, hardly any great discovery for human welfare has been allowed to be carried out free from pertinacious obstructions. The application of that greatest of all modern discoveries,—the Locomotive Steam Engine,—to the greatest of all human purposes,—overcoming the natural impediments of time and space,—was for a long time resisted and obstructed at every

step, not by the humblest and most ignorant, but by the highest, and reputed the most learned, in the land, even by some of the learned Judges, whose ignorant observations from the judicial seat are now referred to with astonishment, but with astonishment only by those who have been accustomed all their lives to look up to human Judges as the highest human authority on all subjects of human interests, forgetting that their devotion to the one important subject of their lives leaves them little time, and generally little inclination, for acquiring much of any other knowledge.

No one can now read without a smile the remarks of the late Mr. Baron Alderson, then Mr. Alderson at the Bar, on the Locomotive Steam Engine, when introduced, in its first practical application, to public notice. In his authoritative declarations on that occasion, he proved himself to be more profoundly ignorant on the subject he was speaking about, than any little child of ten years old now to be met with in England, Scotland, or Ireland. And yet, Mr. Baron Alderson was eminent in his own line, and, as Lawyers, all our Judges are eminent. They make mistakes like other men, but the folly is in those who set them up as superior in judgment to other men in practical questions of the deepest

interest to mankind, in which, from the very nature of some of the unhappy duties most cruelly imposed upon them, they are the very worst authority that could be referred to. This has been fearfully exemplified whenever the mitigation of our severe criminal code has been the question, and will be generally admitted in a few years more when Capital Punishment is abolished, as being unwise and unjustifiable.

It is a strange and inexplicable anomaly in the human mind, that the instincts of Nature, which might be supposed to be unerring truths, should be so different and so much at variance in different human beings. It might have been expected that certain truths taught by Nature,—and we all admit that there are some,—would have been taught the same to all. But this, however much to be desired, seems not to be so.

This, as I understand it, though not as the sect interprets it, is the true meaning and object of '*Utilitarianism*,' a word not wisely chosen, and much misrepresented, but which teaches, if it teach anything, to look to the utility of things in Nature, to find therein an index to the Divine Will, in the absence of any more express revelation, for human guidance.

In the question before us, the only difficulty is in the compensation to the Railway Companies.

But, on a careful consideration of the whole question, this difficulty will disappear.

We see the gifts of Nature freely bestowed and intended equally for all, on the simple condition of applying human efforts for making those gifts available for human good. Hence we may infer it to be the Divine Will, with the same confidence as if that Will had been revealed to us by express command, that the results of human efforts for good should be the same, in effect, to all. We see, in the progress of improvement, the more extended the good, to include all classes of the People, the greater the practical results for further efforts and good beyond. We find from experience that profit is in proportion to numbers; that a small profit multiplied by millions is worth more than a large profit multiplied by hundreds. This, though a truism, has been, in all times down to the present time, and is still, acknowledged with doubt and difficulty in practice. It was proved, but not without difficulty, so recently as in the year 1839, when the opponents of the Penny Postage proposed and carried, for a short time, the fourpenny charge, and not till the following year was it discovered that the penny multiplied by millions was worth more than fourpence multiplied by thousands. So it will be found with Railways. The 3rd

Class Passengers, including those who travel by the Parliamentary Train, are much larger contributors to the Companies Receipts than are either the 1st or the 2nd Class Passengers; and the 2nd Class Passengers are much larger contributors than are those of the 1st Class.

The Conclusion drawn from all experience is simply this; that the Companies will consult their own interests by reducing the charge per mile, for 3rd Class Passengers, from one penny to one farthing, and for 2nd Class Passengers from one penny and three farthings, to one half-penny, and for 1st Class Passengers, from two-pence halfpenny to one penny.

In 1862, the number of Passengers in the 3rd Class and Parliamentary Trains exceeded the number in the 2nd Class by 53,585,242, and exceeded the number in the 1st Class by 82,349,130.

In the same year, the Receipts from the 3rd Class and Parliamentary Trains exceeded the receipts from the 2nd Class by £621,029, and exceeded the receipts from the 1st Class by £1,306,770.

In the same year, the receipts from the 2nd Class exceeded the Receipts from the 1st Class by £685,841.

In the same way, the Companies will consult

their own interests by improving the accommodation to all Classes; by making the accommodation in the 3rd Class equal to that at present in the 2nd Class; the accommodation in the 2nd Class equal to that at present in the 1st Class; and the accommodation in the 1st Class equal to that which is found in most of the 1st Class carriages on the Continent.

It is fit and proper to separate the Classes by superior accommodation and enhanced price, but it is miserable economy to reduce the comfort for a trifling saving in Upholstery. It is almost as foolish as saving grease and increasing friction. There can be no good reason why Second and Third Class Passengers should be more jolted than First Class Passengers. A hard, uneasy, seat in a Railway Carriage may be as injurious to the health and comfort of a poor Passenger as to a rich. There can be no good reason why the rich Passenger should be more consulted in health and comfort than the poor, if both can be equally well consulted at a trifling cost, and here the difference of cost is so small that it can hardly be said to come into the question. Soft sofas, gilded mirrors, and other luxuries may be provided for those who can pay for them, and there can be no good reason why they should not enjoy such luxuries; but luxuries are

not necessities for health and comfort. The true reason for uneasy seats is, to force Passengers into the higher and more expensive Class. But this is bad reasoning, and unwise economy. If there be some Ladies and Gentlemen who take 2nd and 3rd Class carriages for the trifling saving of a few shillings on a journey at the cost of company, it is much better that they should have the opportunity of indulging their saving propensity, than that railway travelling should be made more uncomfortable to the many, and to many more suffering, than it need be. The policy should rather be to consult the health and comfort of those who pay best, and those are, beyond all question, the 3rd Class Passengers. There can be no good reason for such exclusive distinctions as these between the Classes, nor why the 3rd Class carriages should travel at a less speed than the ordinary 1st and 2nd Class. Those who would sell the privilege of their class for the saving of a few shillings are, probably, not many now, and would be fewer when the saving is reduced to a few pence, though the difference would still be sufficient to preserve the needful distinction between the pounds and the pence passengers.

Many other improvements might be made, at a trifling cost, in arrangements for the conveni-

ence and safety of railway travellers, and everything which diminishes the cost of travelling and increases the comfort and safety of travellers tends to increase their numbers.

But the present question is not of management in detail, but how to turn to the best account the greatest discovery of the age, by making it available for the greatest good of the greatest number.

As in the Postage Reform, the whole question depended upon the probable increase in the number of Letters, so in the Railway Reform, the whole question depends on the probable increase in the number of Passengers. But this is a question on which we have little more for our guidance than analogy with other questions of a like nature.

When the Postage Reform was first proposed, and for some time afterwards, the question was held in doubtful suspense between the two parties, for and against. No one who had faith in the principle doubted the increase as calculated by Rowland Hill, and the fact has proved that he was below the mark, but many calculating and practical minds, with no faith in the principle, doubted the increase in the number of Letters ever being sufficient to compensate for the inevitable loss. This, for a long time, was the pre-

prevailing opinion, and a sort of compromise was made between the parties, by reducing the charge to Four Pence, instead of One Penny. On the 5th December 1839, the maximum Inland Postage for a single Letter was reduced to Four Pence, and it was not until the 10th January, 1840, that the postage on all Inland Letters, weighing not more than $\frac{1}{2}$ oz., was reduced to a uniform charge of One Penny.

The confidence of the public for the trial of that experiment was obtained with difficulty, and the uniform charge of 4*d.* was narrowly escaped.

The case of the Penny Postage was saved only by the strength of the evidence in its favour by the Witnesses examined before the Committee of the House of Commons, against the evidence in favour of the four-penny charge.

Of the Witnesses in favour of the Penny Postage I was one, and although experience has not confirmed my calculations of the expected increase in the number of Letters, yet, I believe, that in a few years more those calculations will be fully realised.

Looking back now, whilst I am writing, this 1st day of June 1864, to the Evidence given by me before the Postage Committee, on the 1st day of June 1838, 26 years ago, notwithstanding that the increase in the number of Letters has fallen

short of my calculation, yet now, when reviewing the grounds on which I then mainly relied, with few, if any, certain data for my guidance, I can still find in my evidence on that occasion much to my own satisfaction. I believe that the only ground of error in my calculation was, in not making sufficient allowance for the restrictions then existing upon Trade, and for the depressing effects of our heavy and unequally imposed taxation, and I am persuaded that, under a system of Free Trade, with Direct Taxation, my calculation would, before this time, have been fully realised.

In my evidence before the Committee, my estimate of the benefits to be expected to the Country from the uniform Penny Postage very far exceeded that of any other Witness, Rowland Hill himself included. And although his evidence, where he stated the probable increase in the number of Letters to be five or six-fold, has since been proved to be a much more correct estimate than mine was, yet we have now reached the nine-fold increase, and every successive year shows a further increase.

As the concluding part of my evidence before the Committee on the Postage Reform has indirectly some bearing on the present question of Railway Reform, it may not be out of place here

to give the concluding part of my evidence, from the Report of the Committee in the Parliamentary Blue Book, No. 658, printed by Order of the House of Commons, 1st August 1838.

I recollect thinking at the time that some of the Questions were pressed upon me with rather undue pertinacity, considering the speculative nature of the subject, from the difficulty of deriving any reliable data from the imperfect and inaccurate materials furnished by the Post-Office Authorities, then known to be opposed to any change. This may be borne in mind by any one who takes the trouble to read my evidence, given twenty-six years ago.

The following is the concluding part of my evidence from Minutes of Evidence taken before the Select Committee on Postage. 1st June 1838.

ROBERT WALLACE ESQ., IN THE CHAIR.

"10484. Lord Seymour]. You think that the evidence you have seen given before this Committee does not give us an accurate estimate as to the extent to which the correspondence will increase?—I think it does not approximate to it.

"10485. Do you think, however, that the Committee in any recommendation they may make, could safely expect the increase from those several trades to be greater than what the persons

in the trades themselves have stated?—I think the Legislature could not prudently calculate upon it being greater in those trades, though I believe it would be so; but I am speaking now of many departments which are altogether omitted; and I have not found that there is any calculation of the expected increase of the social correspondence of the country, which I believe will baffle all calculation, and can only be ascertained by experiment.

10486. The postage it appears now is a tax raised chiefly upon the mercantile and trading portions of the community, and from their estimate, as far as the Committee have been able to obtain it, it does not appear that they would pay more in postage than they do at present?—Possibly not.

10487. Then there would be a loss by the additional expense for the increased number of letters?—I am including various heads of increase, not particularly noticed, or very slightly noticed in the evidence. If you confine the calculation to those particular trades upon which the evidence has been given, and if there be no proportionate increase of letters to meet the increased expense, of course there would be a deficiency; but that the increased expenditure would be in no proportion to the increased number of

letters is admitted, and it is admitted in a very remarkable way by the Postmaster-General; I may misunderstand the evidence of the noble Postmaster-General, but I understand him to say that he will take, for the sake of calculation, the number of 50,000,000 of chargeable letters, and he says that it is within a very small fraction of $2\frac{1}{2}d.$ a letter. He then says, "I will assume that there shall be a ten-fold increase, and I take a ten-fold increase because that is necessary to prevent a loss to the revenue, and therefore I will take that ground in my evidence." He then says, "I will allow one half-penny for each letter as the expense, that is, I will take one-fifth." Why the Postmaster-General having fixed the expense at $2\frac{1}{2}d.$ a letter, and then ten-fold increasing the number of letters, takes one-fifth, I am at a loss to understand; but if he shall be right in taking one-fifth of twopence halfpenny, I suppose I may assume that if I double the number, and have 100,000,000, I am much within the mark if I say a farthing a letter. Now let me make a calculation at a farthing a letter, and apply that calculation on the scale which I have given, and the results will be much larger than I have brought out.

10488. *Chairman.*] What scale do you mean?
—I would take it upon the second year or the

third year; I have taken a larger scale of expense, and yet I bring out a net revenue of £6,000,000.

10489. Will you state the scale in which you mean to take it?—I will take it on the third year.

10490. Lord *Seymour*.] With reference to the cost of transit, do you recollect that Colonel Ma-berly has clearly stated that he believes that the average rate of postage for a letter is about 1s. and the cost to the Post-Office between 3d. and 4d.?—I recollect that the Secretary gives that evidence.

10491. Does not that lead you to think that you have mistaken the inference which you draw from the evidence of the Postmaster-General, when you say that you imagine the Postmaster-General to have said that the cost was only a half-penny a letter?—I believe I said that I thought the Postmaster-General gave that ground, and was willing to take the calculation upon that estimate. I thought he conceded it, because in answer to Question 2820, in page 188, these are the words of the Postmaster-General: “I think if it costs 1d. with the number we have now, it would not cost so much on an increased number.” I do not know clearly what allowance he would make for an increase of the

number from 87,000,000 to 4,370,000,000. I cannot find out clearly from the Postmaster-General's evidence what he would allow for the expenses of that increased number. This answer is rather remarkable, when the Postmaster-General says, "I think it costs 1*d*. with the number we have now, it would not cost so much on an increased number." I suppose his Lordship meant,—would not cost so much in proportion; but if he did not mean to concede that ground, I do not know what he is arguing upon. Now I am quite prepared to state to this Committee that it would be nothing like a farthing a letter.

10492. Do you mean that the cost of the Post Office would be nothing like a farthing a letter?—For the transit.

10493. Do you mean that the whole cost to which the Letter would put the Post-Office would be a farthing a letter, or are you throwing out of consideration the expense of transit?—I am speaking more particularly of the expense of transit; but if the question be whether I think a farthing would cover the whole expense to the Post-Office, I think it would much more than cover the whole expense; because, as you enlarge the circle by increasing the distance from the metropolis, I apprehend it is clear that you diminish the expense upon each particular letter.

10494. You think that the further the letter is carried the less it costs?—The less it costs, paradoxical as it appears; yet if you admit so much larger a number of letters as there would be by enlarging the circle, then you necessarily diminish, in a greater proportion, the expense upon each particular letter; therefore, as an illusion, it would cost less to send a letter from London to Edinburgh, than it would cost to send a letter half the way.

10495. Mr. *Villiers*.] You mean that there is a certain expense incurred in carrying a Letter from one place to another, and the greater number of letters over which that is distributed, the less it would be upon each letter?—Certainly.

10496. Lord *Seymour*.] When you apply that to the Agricultural districts of the country, do you mean that the further a letter goes from London, the more letters will accompany it; for if that is not the case, the letter will go at a greater expense, since, according to your own argument, the cost of a letter depends upon the number of letters that accompany it?—I think a much greater number will be carried by the mail which goes over the greater distance than will be carried by the mail which goes over the less distance.

10497. Do you think that a Letter from

Cornwall into North Wales, would have more letters necessarily accompanying it than a letter going from London to Bath?—I do not; I am speaking of the mails from the metropolis; there may be particular cases where the rule would not apply in the cross-posts.

10498. Does not this question of the cost of conveyance so argued, depend entirely upon the cost from the metropolis, not taking into consideration the cross postage throughout the country?—I think the great calculation must be made upon the cost from the metropolis; I think in many cross-posts the cost would be in a greater proportion, but I think it is so small a fraction, that there is no coin small enough to express the cost upon each letter. I think it is unnecessary for the Committee to trouble themselves with that inquiry. It seems to me that the fraction will be so small that it cannot be expressed by any coin, and that, as we have plenty of surplus to work upon, it is not expedient to go into that very minute examination, if you see that you are protected in the result.

10499. You have not seen the calculations before this Committee, showing the cost of a letter by six or eight different mails, in all of which cases it amounted to between 1*d.* and 2*d.* a letter?—I believe I have seen some of those calcula-

tions, but I have not very closely examined them.

10500. Would it not be necessary before you assert that the cost of conveyance is so very trifling, to ascertain accurately what the cost of conveyance is?—Certainly, it would be desirable.

10501. Did you observe in reading the evidence that has been before this Committee, that in hardly any case have any of the Witnesses stated that they should pay much more for postage than they do at present?—I have observed, certainly, that many of them have not admitted that the aggregate amount of their postage, as they believe, would be greater.

10502. And that most of them have expected that for some time there would be a loss to the revenue?—Many of them have given their evidence, I think, inaccurately.

10503. Do you agree with Mr. De Porquet, who hopes for the greatest increase by a reduction to a half-penny?—I remember he says something about that in his evidence. I am not prepared to say that I have come to that conclusion.

10504. You do not think it necessary to go lower than a penny?—I do not think it necessary. I see no particular object in doing that, if the Post-Office is to be a branch of revenue, which I think it ought not to be. But I am

now assuming that it is the intention and the will of the Legislature that the Post-Office should continue to be a branch of the revenue.

10505. You think that, properly, the Post-Office ought not to be a source of revenue?—Certainly not.

10506. Mr. *Villiers*.] But you still think it possible to maintain the revenue with this reduction of postage?—I think it will be greatly increased.

10507. Lord *Seymour*.] When you say that the Post-Office should not be maintained as a source of revenue, do you mean that you would only put such a charge upon a letter as would pay for the cost to which that letter puts the department?—I do not mean to say that; I mean to say that I would cover liberally all the cost, and I would have a very large surplus, which should be a productive revenue to the country.

10508. Then you would make the Post-Office a source of revenue?—I would, if I am told that that is essential, and that the Legislature make it a point of principle that they will have the revenue.

10509. Mr. *Villiers*.] You do not mean to state that the country should be at a loss in conveying letters?—Certainly not.

10510. You mean that though it should not

be made a source of revenue, the charge should be equal to the expense of conveying them?—Yes.

10511. Lord *Seymour*.] And you would have that charge uniform in order to cover the expenses? Certainly.

10512. Since, then, the charge must cover the expenses and be uniform, would it not probably arise, that in order to secure the covering the expenses, you must have some small surplus? Do you think you could adjust any system so exactly, that no surplus should arise from the Post Office?—I have no doubt that it could be done, but that must be done by experience derived from actual experiment; what that sum would be I do not know; of course much less than the sum I have mentioned of 1*d*.

10513. If, according to you, 1*d*. would produce such an enormous revenue, in order not to make the Post-Office a source of revenue, it would be necessary to reduce it probably even lower than a half-penny?—Lower than any coin in the kingdom.

10514. And that you believe would pay the expense of the department?—I have no doubt it would. I would beg leave to suggest, that I think it desirable, upon this principle of public benefit, and for the purpose of rendering the ex-

periment safe beyond the doubt of any incredulous person, that it would be fair in principle that all privilege should cease, in franking, to all Members of Parliament and to all Ministers; I see no reason for the continuance of that privilege, especially at the low rate of 1*d*. I see no objection to throwing in that increase for the purpose of satisfying the doubts of the Chancellor of the Exchequer, or any other person.

10515. Do you mean that you would make the public departments pay this tax for their communications?—I do.

10516. What would be the benefit of making the public pay this tax, which they are again to receive in another shape?—Merely for the purpose of simplifying the system of the Post-Office; that there shall be no frank-inspectors, and that there shall be no kind of abuse of the privilege; that they shall pay for their stamps for letters as they pay for a receipt stamp now. A Minister receiving a sum of money gives a receipt stamp the same as any other person, and I do not know why a stamp should not be paid upon a letter which a Minister writes.

10517. Are you aware that public departments frequently send necessarily very large weights by post, and that, according to Mr. Hill's plan, those large weights would, in the

course of a year, amount to a considerable and varying sum in postage; do not you think, that instead of simplifying, you would complicate the system, by making them pay the postage?—If that would be the effect, I would, of course, withdraw the observation; it is a suggestion merely. I should think that it would be found convenient in working the plan proposed to have no privilege at all.

10518. You are understood to say, that the great source of increase from which you calculate upon a twenty-fold increase of letters arises from the increase of the social correspondence throughout the country?—And commercial.

10519. Of the commercial increase you think the Committee have got a pretty fair test in the evidence they have received?—Upon those particular trades only.

10520. Since, however, from those particular trades the Committee have not got an increase which would justify them in expecting an addition to the revenue such as you calculate upon, the deficiency which still remains must be made up from the social correspondence of the country?—Yes.

10521. Upon what data do you go when you expect that the social correspondence of the country is to increase in so much greater proportion than

the mercantile and professional?—As I have already said, I think there are really no data at present; but it should be recollected that all the evidence of the trades has been given without experience; they give their evidence on conjecture; but after this has been tried for two or three years, then I think it would be found that there would be such a great increase of trade, from the increased facility of communication, that their calculation would be found to be very erroneous; that the increase would be far beyond anything that the most sanguine person, perhaps, with my own exception, has calculated upon. I certainly have formed a much larger expectation of increase, partly from the suppression of smuggling, than any other Witness who has been examined; and I think it is perhaps very much to the point to state the result of the experiment which has been tried with regard to British spirits, that when the duty was reduced by the Legislature upon Spirits in Great Britain and Ireland, it was found that the increase in the quantity of spirits was so far beyond the possible increased consumption by the people, that it could only be attributed to the suppression of smuggling. I cannot suppose that the diminution of the tax can account for the increased consumption to the enormous amount which appears

by the return. I attribute that increase greatly to the suppression of smuggling. It may be within the knowledge of the Committee. The figures which I have just extracted here from the returns, I think, present the question in a very striking way, and, with the permission of the Committee, I will shortly state them. In 1820, the number of gallons of British spirits charged with Excise duty in the United Kingdom was only 8,349,170, and remained the same until 1824, when the number suddenly rose to 15,107,849 gallons, and continued to increase until 1828, when the number was 23,413,770. One cause of this increase was the reduction of the duty on Scotch and Irish spirits from 5*s.* 6*d.* to 2*s.* per gallon, as the following account will show. Number of gallons charged in Ireland, in 1822, was, 2,328,387; in 1828 it was, 9,937,903 gallons, showing an increase of 7,609,516 gallons.

In Scotland in the year 1822, it was 2,079,556 gallons, and in 1828, it was 5,716,180 gallons; making an increase of 3,636,624 gallons, and a total increase on Scotch and Irish spirits of 11,246,140 gallons. In 1827, the duty on English spirits was reduced from 12*s.* 7*d.* a gallon to 7*s.* The effect of this reduction may be seen by comparing the number of gallons charged

in the United Kingdom in the years preceding and subsequent, viz. 1826, 18,233,400 gallons, in 1828, 23,413,770; increase in two years, 5,180,370 gallons. Now, I cannot account for that increase by supposing that the people themselves consumed a greater quantity of spirits.

10522. Lord *Seymour*.] That calculation does not show the effect upon the revenue, but only the quantity?—I am adducing this only to show that the increase was not produced by an increased consumption, for the figures show that to be impossible, but that the increase must be accounted for by the suppression of smuggling; and I wish to apply that principle to the question before the Committee respecting postage, which would increase by the suppression of smuggling of letters. I believe it baffles all calculation to say what will be the increase from the suppression of smuggling.

10523. Mr. *Parker*.] Do not you think that the witnesses who have been examined before the Committee upon that point are persons who are likely to have a correct view as to the existing amount?—I believe no individual can have a correct view of it; it is not within the experience of any individual, and I believe we cannot take a more accurate view than by producing evidence of this nature to show what was the

effect of a reduction of duty on an article of such general consumption as spirits.

10524. When individuals come themselves connected with illicit trade, and state certain facts, is not that a very fair basis for forming a sort of calculation with respect to other persons as to illicit trade?—I will admit that if you will state what the other persons are, and how many; but it is a very important ingredient in the calculation that it should be stated how many other persons there are. If a person be giving his own experience only I will taken it as a good datum as far as it goes, but I will not take it as any guide for the aggregate, unless I am told how many persons are engaged in a similar process.

10525. If, upon the examination of an individual who is from his occupation and profession likely to be engaged in a great correspondence, it appears that, taking into account his illicit correspondence, the increase of his regular correspondence would be five-fold or six-fold, may not the Committee thereupon fairly come to the general result that, in respect to the universal correspondence of the country, upon the illicit part being brought to account, the result would be the same?—With all submission, I cannot see that that affords any guide to the result carried throughout the country.

10526. How can mankind have any guide in forming their opinion, unless they form it upon such facts as come before them? They have no other means of obtaining information.—It is open to this Committee, I believe, to obtain better information than I have obtained; but I can only say that it must be very insufficient for an accurate result, because I believe there is going on in every family in the kingdom, more or less, not only an evasion of the law but a positive infraction of the law.

10527. But supposing it be admitted that there will be an augmentation of letters to five-fold or six-fold, is not that conclusion come to on the very ground that you allude to, namely, from seeing that in a great number of cases that amount has been evaded, and presuming that that smuggling is general?—I am making a distinction throughout my evidence. I calculate upon an increase, exclusively of that increase which I expect to obtain by the suppression of smuggling. I calculate that increase from bringing into existence correspondence that is not now in existence, and I expressly excluded that increase which I calculated upon from the suppression of smuggling, which makes the aggregate so enormous.

10528. *Chairman.*] But you included both in

giving your evidence as to the increase you anticipated at a low rate of postage?—I include it in the figures which I have given.

10529. Lord *Seymour*.] The Committee have received evidence from Mr. Cobden, from Manchester, who stated that a society there had sent out a circular to several of the houses in that town, to know what their increase of correspondence by post would be under a reduced rate of postage; and that from 73 persons connected with the trade and commerce of the large town of Manchester, the answer was, that their correspondence would increase about five twothirds-fold; now, do you think that the Committee can get, as far as those persons are concerned, any more correct evidence than such statement as that?—I am not prepared to say that they could.

10530. Do you think that it would be safe for this Committee to throw aside those calculations given by the persons themselves, and to proceed upon any other data, as to the extent of the increase of correspondence?—I think it would be perfectly safe, because their calculation is made upon their own trade; but the comparison should be made, if greater accuracy is desired, upon every trade in the kingdom; and there should be something like an estimate formed of the expected increase from the social

correspondence; I can only say, I am at a loss to find any data whereon to make the calculation. If it be possible to find any data it would be very desirable; but I should certainly submit to the Committee, that this calculation is not to be taken as a guide with regard to the whole population of the country; it is a guide only to the particular trades referred to.

10531. Mr. *Villiers*.] Mr. Cobden has stated in his evidence that five-sixths of the Letters that leave Manchester go otherwise than by the Post-office; does that surprise you?—Not at all; I have not seen that evidence, as it is subsequent to the volume I have seen.

10532. Does that correspond with your notion of the illegal conveyance of letters from all manufacturing districts?—I think it will be seen that it does correspond, because I have given that result without having seen that evidence.

Such is the concluding part of my evidence before the Committee of the House of Commons on the Postage Question. There is every reason to believe that the evidence in favour of the uniform charge of one penny had its due weight.

The result of this great mass of evidence may be stated in the few and simple words of Mr. Cobden in his evidence:—

“6728. I consider the only way to produce the greatest possible amount of revenue is to charge the lowest possible trading profit ; and it is in the Post-office as in steam-boats or Paddington coaches, or calicoes, or sugars, or teas, or anything else which can be or ought to be an article of universal demand and consumption ; with that view I have regarded Mr. Rowland Hill’s plan of Post-office reform, and taking the cost of a letter, upon the presumed increase he has stated, even at $\frac{3}{4}$ d. each letter, I should say 1d. would then be a proper charge ultimately to produce the greatest possible amount of revenue. I would reason from analogy and experience in every other business, and in none more than my own. At the time the late Sir Robert Peel was a calico-printer, it was supposed he was obtaining a guinea a piece profit from his prints. He sold comparatively few pieces ; there are houses in Manchester now that have produced a million pieces a year, which, at 1d. profit for each, would be from £4000 to £5000 a year.”

My object in referring to the Evidence given before the Committee on the Postage Question is, to show the course of inquiry pursued on that occasion, for data on which to calculate the probable increase in the number of letters at the

uniform charge of one penny. A great many heads of inquiry on that question do not apply to the present question of railways. Here is no question of smuggling or evasion, and that alone threatened the very existence of the Post-Office as a Government institution.

For a great many years, notwithstanding the increase in the population and trade of the country, the Post-Office showed no corresponding increase in the number of letters or amount of revenue.

On this fact, Mr. Rowland Hill in his evidence says :—“ In answer to Question 2799, Lord Lichfield, speaking of my statement, that during the 20 years from 1815 to 1835, there has been no increase of revenue in the Post-Office, says ;— ‘ The revenue of the Post-Office has increased nearly in proportion to the increase of population, or rather more so.’ He also stated on a former occasion that he considered it fairer to take the gross rather than the net revenue. I find by the return made to this Committee, that the gross revenue for the year 1815 was £2,418,741, and for the year 1835 £2,353,340. If to the latter amount be added the sum of £137,000, his Lordship’s estimate, in paragraph 2800, of what he terms ‘ concessions,’ up to the year 1836, the total will exceed the revenue for the year

1815 by only 3 per cent.; it would therefore appear that, taking the gross revenue, as his Lordship prefers, and even admitting his Lordship's claim for concessions, there has been an increase in the revenue, from 1815 to 1835, of only 3 per cent., whereas the increase of population in a corresponding period, namely, from the census in 1811 to that in 1831, was upwards of 30 per cent. I would here correct an error in my pamphlet, and in my evidence, as to the net revenue for 1815, where the amount is stated at £1,557,291, whereas it should be, £1,619,196; the net revenue for Ireland was omitted by mistake. The correction of this error strengthens all my positions, and adds to my results about 5 per cent."

In the earlier part of his evidence, Mr. Rowland Hill put in a table showing the increase of Stage Coach duties in comparison with Post-Office revenue. He says:—"The examination of this table shows that the Stage-Coach duties have increased 128 per cent. between the years 1815 and 1835; had the net revenue derived from the Post-Office increased at the same rate, instead of being about a million and a half, as it actually was, it would have been rather more than three millions and a half; from which it appears to me to follow necessarily, that there is

in effect a loss in the revenue of the Post-Office of £2,000,000 per annum. It appears to me that the cases are strictly analogous. I think there can be no doubt of the fact, that the demand for the conveyance of letters must have increased to the same extent that the demand for the conveyance of persons and parcels has increased; and if so, it inevitably follows, that there is in effect a loss in the net revenue of the Post-Office of £2,000,000 per annum."

He adds—"I find that in the same 20 years, namely, from 1815 to 1835, the gross revenue derived from the Post-Office of the United States has trebled:"—and that,—“in the 14 years commencing with 1821 and terminating with 1835, the gross revenue obtained from the French Post-Office increased from 24,000,000 of francs to 37,000,000 per annum, which is an increase of 54 per cent. The rates, both in France and in the United States are much lower than in this country."

In a further part of his evidence he says:—"I am decidedly of opinion that this country has suffered a loss of two millions of revenue a year in consequence of the Post-Office not having been under a better system of management. It appears to me that the facts necessarily lead to that conclusion. I consider that the tax is excessive,

and that it has produced the ordinary effects of excessive taxation, namely, inconvenience to the public and loss of revenue."

The Legislature thought fit to vest in the Government the monopoly of Letter-carrying for the whole kingdom, and not content with charging for the carriage of letters many thousand per cent. more than the actual cost, superadded a tax increasing instead of decreasing with the distance from the Metropolis, thereby adding a legal penalty to a natural and unavoidable disadvantage, and proving that an exorbitant rate of impost defeats its own object.

Long before the name of Mr. Rowland Hill had been heard of in connection with the Post-Office, I had endeavoured to direct the attention of the Government to this strange anomaly, and I then showed that the cost of delivering a letter at Edinburgh, from London, could not exceed a very small fraction of a farthing. Mr. Rowland Hill afterwards proved that the cost was not more than from one-fifth to one-thirty-sixth part of a penny, and that the greater the distance from the Metropolis the less was the cost. He stated distinctly in his evidence before the Committee, that the cost of the Mail from London to Edinburgh was £5. This was confirmed by the Postmaster-General in his Evidence, who said:—

“Mr. Hill calculates the cost of one trip of the Edinburgh Mail £5. He is right in that calculation. It does cost £5.” I illustrated this fact by the example of the London Mail to Brighton, and stopping there, and the London Mail through York and Edinburgh to Glasgow, and stopping there; the first Mail taking, say, 1000 letters, and the other taking 50,000 letters. It is obvious that the cost of carriage spread over the smaller number must be much more than the cost of carriage distributed over the larger number. And yet the charge on the larger number was more than double the charge on the smaller number. All above the actual cost was the tax. The people then did not know how much they suffered under that tax, for they were born under it and bred to bear it. But it was not the less unjust, nor less injurious. A child born blind does not know the loss of sight, but that would be a poor excuse for putting out the eyes of a new-born child. The people are now beginning to see their own interests more clearly than formerly, and it is wise to look forward.

In effect there are many points of resemblance between the Penny Postage Reform and the present proposed Railway Reform, and the mode of inquiry so successfully carried out in the former, may well be applied to the latter. In order to

ascertain with as much accuracy as the circumstances of the case admit, the extent to which the rates of Passenger-fares may be reduced, under the condition of a given reduction in the revenue, the best course appears to be first to determine, as nearly as possible, the actual cost of an ordinary train per mile,—under the average circumstances of gradients etc.,—as it was in the case of postage, to determine as nearly as possible, the actual cost of conveying a letter, under the varying circumstances of distance, etc., that is to say, the cost which would be incurred by the Railway Companies, if relieved from all direct and indirect taxation ; and then to add to the actual cost such an increase in the number of passengers as would be required for compensating the Companies for the reduction in the scale of fares. This is the first step in the inquiry.

Now, it is well known that the average cost of Locomotive power for working Passenger Trains is from $7d.$ to $7\frac{1}{4}d.$ a mile, and that the highest average for Special or Mail trains is from $9d.$ to $10d.$ a mile.

In answer to my question on this subject, Mr. Gooch, the chief of the Engineering Department at the Swindon Works, writes :—“The average cost of Loco-Power for working South Wales Passenger Trains is about $7d.$ per mile to $7\frac{1}{4}d.$

There is no separate account kept of Express Trains."

This is the Broad Gauge Line, notoriously more expensive to work than the Narrow Gauge Line.

But all the Evidence proves that the total cost of the narrow gauge lines of Railway, reduced to mileage of trains, is under 2s. a mile, and that of the broad gauge cannot exceed 2s. a train mile.

It is obvious that the cost must be the same whether the train, for which the motive power is adapted, be full or only part full; and, therefore, whenever a train proceeds with less than a full complement, the deficiency represents the waste of power and the loss to the Company.

Allowing 9d. a mile to cover all the actual cost to the Company of an ordinary train, carrying 400 passengers, and reckoning the distance from London to Bath 100 miles, the cost of locomotive power and all other expenses for that distance would be, £3. 15s. 0d. and no more.

Taking the number of Passengers in the train at 400, and the average charge to each passenger at $1\frac{3}{4}$ d. a mile, the gross receipts would be £291. 13s. 4d., and the net receipts £287. 18s. 4d.

Taking the average charge at $\frac{1}{2}\frac{1}{3}$ d. a mile, the gross receipts would be £97. 4s. 5 $\frac{1}{2}$ d., and

the net receipts £93. 9s. 5¼d. This would be a loss to the Company of £194. 8s. 10¾d., but still leaving a profit, over and above the actual cost, of £89. 14s. 5¼d. But this supposes the train to contain its full complement of 400 passengers. If the train, at the present rate of charges, contained only half its full number of passengers, (which is much more than the average number) the net receipts would be only £142. 1s. 8d., and if at the reduced rate of charges with its full number of passengers, the loss would be only £48. 12s. 2¾d.

Assuming that twenty trains are running up and down, between London and Bath, on the average, in 24 hours, with the average number of 200 passengers in each train, at the present fares, average 1¾d. a mile, the gross receipts would be £2,916. 13s. 4d., and the net receipts, £2,841. 13s. 4d.

Assuming the same number of trains in the same time, with the full complement of 400 passengers in each train, at the reduced fares, average ½⅓d. a mile, the gross receipts would be £1,944. 8s. 10½d., and the net receipts, £1,869. 8s. 10½d. Loss, £972. 4s. 5½d.

Assuming the increased number of passengers at the reduced fares to require 40 trains in the 24 hours, carrying 400 passengers in each train,

average $\frac{1}{2} \frac{1}{3}d.$ a mile, the gross receipts would be £3,888. 17s. 9d., and the net receipts £3,738. 17s. 9d. Gain, £897. 4s. 5d.

In this point of view the whole question turns on the probable increase in the number of passengers from the reduced fares.

The increase in the Working Expenditure will bear no proportion to the increase in the number of Passengers, however great that may be. If the cost of the Locomotive power for 100 miles be covered by £3. 15s. 0d., and every expense, for the same distance, by £5, any further inquiry into the details of expenditure seems to be unnecessary. If a remunerating profit be secured for every mile run over, the greater the number of miles run over, and the greater the number of Passengers carried, the greater must be the profit. The amount of the fair working expenditure must always be the best test of the profit of the concern, for the increase in the profit must always be in a proportion far exceeding the increase in the fair working expenditure, and as those expenses can never equal the interest on the capital expended, the object must always be to keep every part of the machinery in the highest possible state of activity during the 24 hours of every day and night. Assuming the management to be complete, the great cause of loss is in the trains

not being in motion, or not being full when in motion. Expenses,—and of these, Interest, the chief,—are always going on. To these, the working expenses are comparatively trifling. The difference of actual expenditure between running 20 Trains, or 40 Trains a day, is only £75; but this may be a difference affecting the question of Profit or Loss on the whole concern, and would be so, as already shown, in the case of the reduced fares. The good effect of low charge has been shown in the Post-Office, where the perfect success of this principle is now established beyond a doubt. In that great change, the whole question turned on the probable increase in the number of Letters, and the estimate of the propounder of that plan has been more than realised. In the present question, the whole turns on the probable increase in the number of Passengers.

But, now to use our experience of the increase in the number of Letters, at the reduced postage, as a guide for calculating the probable increase in the number of Passengers, at the reduced fares, let us take a comparative view of the ascertained facts, as regards Letters, between the years 1838, and 1862.

The number of Letters of the United Kingdom which passed through the Post-Office in the year 1838, (exclusive of Franks,) was 75,908,000.

In 1862, the number was 605,471,000,—nearly eight-fold, and is now, (1864) I believe, something more than nine-fold. That would be a very satisfactory result for the Railway Companies if accomplished in the first ten or twelve years, as may be expected, and not unsatisfactory if accomplished in the first twenty years, taking into consideration the concessions of the Government and the Country to the Companies, of upwards of a Million, sterling, a year, for ever.

Taking this estimated increase in a number of years more or less uncertain, but, probably, not exceeding ten years, this would seem to be no bad purchase by the Railway Companies, from the Government, of a perpetual Annuity of upwards of a Million, sterling.

But, although the experience of the Post-office in the actual increase in the number of Letters furnishes some ground for estimating the probable increase in the number of Passengers, yet that experience is much more to be relied on for the increase in the number, than for the length of time required for that increase.

Great changes have taken place in this country, since the Postage Reform, in the population, trade, and habits of the People. Population has largely increased, and Trade in a much larger

proportion. Perhaps, it may be said that Education has made some progress and effected some improvement in the moral condition of the People; or, if that be doubtful, it may be admitted that the social standard of society in general, in this country, has been somewhat raised in the last twenty years. Trade, and the restrictions on trade in this country are, certainly, very different now from the state and condition of trade in 1840, when the trial of the Post-Office experiment commenced. In one year now may well be done what then could not be accomplished under five years. The rate of progress has been greatly accelerated by a combination of causes, and knowledge from experience has increased greatly, since the year 1840.

Compress the aggregate of the first five years of Post-Office results, since the year 1840, into one year for Railway results, under the new system, and the position of the Railway Companies is one of triumphant success. The Government might then have to defend themselves against the charge of having too much favoured the Railway Companies, under this new system, and made a bad bargain for the People, though few, probably, would then be disposed to enter into that inquiry. The gain to the People would be certain, immediate, and great; and to the Rail-

way Companies, if less certain and more gradual, not less great.

The increased expenditure and wear and tear of the rolling stock, consequent on the increased Passenger traffic, would all be calculable deductions from the increased receipts. These are calculations on practical details which can be made best by the officials in the different departments of the Railway Companies, and are not necessary inquiries here. What per centage on the increased receipts would be sufficient to cover these increased charges, is a question on which I am not competent to form an opinion, but I shall be surprised if 10 per cent. be not an ample allowance.

But there are some details of management which so much concern the Public convenience, and even safety, that these deserve serious consideration, and the special interference of the legislature.

The most important of these, and the least likely to be corrected by the Railway Companies, without compulsory legislation, is the practice of over-working the drivers of the locomotive-engines. It frequently happens that these responsible servants are kept continuously at their work for 12, 14, and 16 hours, though they all admit that 8 continuous hours at this work is as much

as the physical strength of the average man can bear for the proper and safe discharge of his duty. When the nature of this duty, and the number of lives daily dependent on its proper discharge are considered, the question of expense in a few more engine-drivers must cease to be any question at all, at least with the Public, whatever it may be with the Railway Companies. If ever the interference of Parliament were required for the safety of the Public, it is surely here ; nor would there be any difficulty in framing a Law to meet this occasion. If on an emergency it be necessary to exceed the eight hours, all time beyond that ought to count in the next turn. It may sometimes happen that the engine-driver will be absolutely required to exceed the allotted eight hours, but this provision would prevent the Companies from deriving any advantage from exceeding that time, and a positive law forbidding, under a heavy penalty, the continuous employment of any engine-driver beyond eight hours, unless under the necessity of an emergency, would impose on the Companies the *onus* of proof of that necessity.

Similar regulations ought to be made with regard to all other servants of the Companies, holding responsible situations, and on whose vigilant care the safety of human life or limb may be

dependent. It is well known that great physical exhaustion impairs, for the time, the mental faculties, and it may well be conceived that when engine-drivers, pointsmen, signal-keepers, and others in responsible situations, are under the exhaustion, bodily and mentally, of sixteen continuous hours work, the ordinary danger to the lives of all the Passengers in the trains is greatly increased. This admission is freely made by the engine-drivers themselves, though their evidence is not wanted for this conclusion. Their admissions, indeed, go much further than this, and to an extent which, if known, would fill the public mind with terror. It may be sufficient for the Public to know that their hair-breadth escapes are more frequent than they have any notion of, and from this cause alone.

Another and very alarming cause of danger, and of many terrible accidents, for which there is no excuse, is the short interval of time allowed between the starting of different trains on the same line, and, still more alarming, the very close calculation of time for the passing of trains at the points of junction with other lines, by which it frequently happens that down trains have passed only a few seconds when trains from the branch line come sweeping up into the main line at the velocity of 40 miles an hour. Where this state

of things is not only possible, but of daily occurrence, it is needless to remark on the imminent danger of collision. The wonder is that the cases of collision are so few ; but the greater wonder is that this state of things is permitted. Another very simple improvement might be easily effected by merely allowing more time for delivering out the tickets to the passengers before the train starts. By this easy means much crowding and confusion would be avoided, and the confusion of a crowd at a railway station is suggestive of danger.

In the arrangements for the safety and convenience of railway travellers, it was an obvious and easy improvement to provide separate carriages exclusively for Women ; but why this distinction was provided for 1st Class passengers only is quite inexplicable. Why there should not be to all trains a carriage or compartment for women in the second and third classes as well as in the first it is impossible to imagine. A poor girl has as much right to this security as the first lady in the land, and many a trembling maid-servant and shy country lass, now compelled to herd with coarse and drunken ruffians, would thankfully avail themselves of this protection, so easily and at so little cost to be afforded by the Company.

But there is another and still more serious

reproach to the Railway Companies, and that is, the practice, still pursued on some lines, of locking the passengers in the carriages, sometimes on both sides, but generally on one side, thus leaving them shut up in a prison, under some circumstances, with no possibility of escape, and no means of communication with any one from without whilst the train is in motion, and all this time a helpless prey to murderous outrage. It is a prison where associates may be forced upon us our wives and daughters without any choice of our own,—associates of whose character and antecedents we know nothing, and who may be common thieves or drunken ruffians, assassins or lunatics. No seclusion from the outer world can be more complete, while it lasts, than that of the English Railway traveller, and of all the perils of railway travelling this is immeasurably the greatest, for in the worst of Railway accidents there is always the chance of escape, but here is no chance, and you know it, and your ruffian associate knows it, and you know that he knows it. Your prison may be on fire, and you have no alternative but waiting to be burned to death, or flinging yourself out of the window, with the certainty of broken bones, and the imminent risk of being smashed to atoms.

It is impossible to suggest any reasonable ex-

• cause for the continuance of this practice after all our experience, and it is an astonishing instance of the forbearance of the people that such a practice should be still permitted. It was not very long ago that a carriage took fire, and the passengers were in danger of being burned to death, their efforts to make their situation known to the driver or guard being wholly unavailing. Many cases of indecent assaults on women, and other ruffianly attacks have been made in railway carriages, and it is impossible to imagine a more helpless situation for a woman than when locked up with a drunken or licentious ruffian in a carriage going at the rate of forty miles an hour. Nor is the situation much more hopeful for a man so shut up and struggling with a raving maniac, (which has also occurred,) or struggling for his life with a murderous ruffian, accompanied perhaps by an accomplice, intent on robbery and prepared for murder. The disadvantage of the victim is so obvious that the public may be prepared any day to hear of an atrocious robbery and murder in a railway carriage, and of the escape of the murderer or murderers, than which nothing is more easy when the train stops. There seems to be in the railway authorities, with regard to this question, a stolid obstinacy which will yield only to some dreadful catastrophe.

What the objection of Railway Directors and their dependents can be to the simple expedient of allowing the passengers to make known their position to the guard by a bell or other signal nobody is able to discover; but for some reason or another they refuse to do anything. In France, Germany, Switzerland, and in America, there is complete facility of communication, and in fact the guard performs the duty of walking along all the carriages of the train, even on the fastest express train, at a speed equal or exceeding the express of our English lines. A hand-rail and a continuous foot-board for the guard to walk upon, as on the Continental railways, are all that is wanted; and this simple contrivance would also allow the collection of tickets during the journey, thereby saving the waste of time and danger of collision caused by the foolish stoppage for this purpose at half a mile from the terminus. With this simple contrivance and a signal to the guard always ready and at hand to mark the carriage where he is wanted, the safety of the passengers, at least against horrors such as these, would be as complete as human precaution can make it.

But the real protection will be, by making it an imperative order that the Guard of each train shall at irregular intervals of time, but at least once in every quarter of an hour, traverse the

whole length of the train. Without this order, strictly enforced, the signal would be no protection at all, as the person needing help could easily, and assuredly always would, be kept out of reach of the signal.

The Public ought to insist upon this protection by an act of legislation. The Railway Companies are monopolies, for practically no other means of travelling are left. Six hundred years ago, Parliament interfered, very properly and effectively (by the Statute of Winchester) to make travelling safe to the travellers. Parliament can hardly do less now, the means of prevention being, as here shown, simple and inexpensive, but complete.

It is inconceivable that Railway Directors should talk of the expense of such simple alterations as these, but whether simple and inexpensive or otherwise, they ought to be held responsible for every act of violence and for every accident which might have been prevented by these precautions.

It is no answer to say that, the trains would often be stopped improperly, for the demand is not for the means of communication with the driver, but with the guard, and with him would rest the duty and responsibility of communicating or not with the driver for stopping the train. Even with our present experience, many cases

may be imagined when a life may depend on the means of immediate escape from one carriage to another. If the doors of the carriages, on both sides, were unlocked, the difficulty would not be great of guarding a long train of carriages, to prevent the entrance or escape of improper or guilty persons.

By a simple contrivance the doors might be effectually locked from without, and yet be easily opened from within, and a few additional guards, when the train arrived at a station, would effectually prevent the admission of improper persons at the stations. If the attempt at entrance were made, by means of the continuous foot-board and hand-rail on both sides of the carriages, when the train was in motion, a single guard at each place of entrance would be a sufficient protection, and the danger of such an attempt would be so imminent that, the most daring ruffian would hardly venture it. But it is trifling with the question to say that these are insuperable difficulties, when a few simple mechanical contrivances would remove them all. Whilst trains are started on the same line at short intervals of time, it would be dangerous to entrust to a passenger the power of stopping the train ; but there can be no danger in giving to every passenger the means of instant communication with the guard ; and many cases

may be supposed when the safety of the whole train may depend on such communication.

The unaccountable apathy of the Public on this question is surprising, and, after all the warnings which have been given, it seems hopeless to awaken them to a due sense of their danger before it is too late ; but I seize this opportunity of entreating the interference of the Board of Trade, before some dreadful calamity occurs to fill the public mind with horror and indignation.*

The result of the foregoing examination into the present system of Railway management appears to be, that the rate of Charges for Passenger Fares is excessive, and that it has produced the ordinary effects of excessive taxation, namely, inconvenience to the public and loss of revenue.

It will be said that there is no analogy be-

* Only a few days after the above was written, London was startled with the cry of the horrible murder of Mr. Briggs in a railway carriage, close to the metropolis, about 10 o'clock in the night of Saturday the 9th of July 1864, and the escape of the murderer ! The public mind was then suddenly awakened to the sense of danger. Every railway traveller, before he takes his place in a carriage,—especially for a night-journey,—will now closely scan the looks of his companion or companions. Three rewards, of £100 each, have been offered for the discovery of the murderer. Every railway traveller now feels his own life to be in additional danger, if one such terrible experiment should be successfully carried out by the perpetrator of this singular atrocity. The unfortunate victim has been the sacrifice of gross and culpable neglect, in which the Government must share with the Railway Directors.

tween a Government tax and a charge imposed by a private Company, inasmuch as the one is a charge enforced by Law, and the other a purely voluntary payment. But if the Law have set up a Company with such special and extensive powers as virtually confer a monopoly of that which is a public necessity, then the analogy becomes complete, and the Government has neglected its first duty to the Public, if they be left in the power of that Company, with insufficient means for their own protection.

Now, the effect of the special and extensive powers conferred by Parliament on the Railway Companies has been virtually to shut up most of the Highways of the Kingdom against ordinary travellers, and to compel them to travel in the Companies carriages, on such terms and conditions as they may choose to impose, and with such accommodation as they may choose to give.

It is true that a cheap train, called the Parliamentary Train, has been imposed upon the Companies, but that was for the protection of only the poorest class of the Public. The same power which was exercised on their behalf might, with equal propriety, have been exercised on behalf of the middle and higher classes.

But how has that power been exercised for the poorest class? The Companies have been

required by Parliament to run one train in the 24 hours at one penny a mile. They complied accordingly, by starting a train at 6 o'clock in the morning, with carriages for the Parliamentary Passengers, as they are called, constructed with little more convenience than the carriages for the conveyance of cattle, and proceeding at something like the same speed. The outcry at last produced a little improvement in the accommodation, and the poor passengers are now conveyed, at parliamentary pace, in covered carriages, instead of open cattle pens, at the rate of a penny a mile. Taking the cost of locomotive power at 9*d.* a mile, and the train carrying 400 passengers, that gives a profit of 4444·444 per cent. per mile. Such is the result to poor passengers of the monopoly conferred by Parliament on the Railway Companies.

To the Public in general it is simply thus:— Assuming the cost of 9*d.* for locomotive power, and the train carrying 400 passengers, at the present average charge of 1 $\frac{3}{4}$ *d.* a mile, the profit is 7777·777 per cent. per mile. Such is the average result to the Public in general, of the monopoly conferred by Parliament on Railway Companies, which is, in effect, one form of indirect taxation.

It is quite fair to make the calculation on the

cost of the locomotive power, inasmuch as all the other expenses of the Company are going on, whether the trains run or not.

Now, it is submitted that this is, in effect, like excessive taxation, namely, inconvenience to the public and loss to the revenue :—loss to the revenue of the Railway Companies, and loss and inconvenience to the country at large.

A monopoly, even conferred by Parliament, will not be long endured. It is, therefore, wise in those who claim to hold and exercise it, to let the public have a fair share of it.

The Public will not be content much longer to leave the Railway Companies in quiet possession of 4444 per cent. profit out of the pockets of the poorest passengers, nor 7777 per cent. profit out of the pockets of the public in general. That monopoly however, having been conferred by Parliament, there can be no reasonable doubt of the propriety of giving compensation, if the same power which conferred the benefit think fit afterwards, on public grounds, to withdraw or diminish it. But this being done, the duty is performed. It does not follow that a wrong once done must be perpetuated for the benefit of those who are concerned in its continuance, provided a fair indemnity be given to them.

John Palmer was the first projector of Mail

Coaches. The idea occurred to him that a better mode than the then existing mode of conveying the Mails was desirable and practicable, and he accordingly matured the plan of transmitting letters by coaches with guards, now superseded by the railway. He succeeded in his object, though not without great opposition; but the utility of the plan soon became manifest. For his public service he stipulated with the Government for what was then thought to be a very moderate remuneration. This was the fourth part, or some other small fraction, of a farthing, for every mile run over by the wheel of every Mail Coach in the kingdom, to be paid to him and his heirs for ever, or for some long period of time. This was an improvident bargain, something like that in the old story of a farthing on each nail in a horse-shoe multiplied by geometrical progression, and as impracticable of performance. After many petitions to Parliament, John Palmer was compensated, but the compensation was very inadequate to the original stipulation. He died, I believe, in the year 1818. Vested interests are everywhere in the pathway of improvement, but their paralysing influence is not to be perpetual. "The welfare of the People is the highest law."

The Railway Companies may depend upon it, that they will find it more for their own interests,

in the long run, to look for their profits from a low mileage rate and a large number of passengers, rather than from a high mileage rate and a small number of passengers; and though it is to be hoped that the good faith of Parliament will always be preserved, yet it is safer not to rely with too much confidence on that assurance, when the public interests run contrarywise. Railway Directors must know, from their own experience, how to value what is called *good faith*, when the work is done and the service rendered, and how many loop-holes for escape from an unequal engagement are then found open. For success, there is nothing like the good old policy,—"small profit and quick return." This is fair dealing, and, in the end, the safest.

With respect to the charges of 1*s.* 6*d.* to 3*s.* 6*d.* a mile for conveying the Government Mails by Special Trains, that is manifestly excessive, and shows how culpable was the neglect of the Government which left the Public exposed to such an imposition. But this is now like a debt incurred, which must be paid or compromised.

It is commonly supposed that the introduction of railways has cheapened the conveyance of mails, and that the pennypost system could never have been carried into effect without the railways. This is a mistake. The penny-post sys-

tem was projected in the mailcoach times, and its practicability was then proved. The actual result of railways for the conveyance of mails has been a very great enhancement of the cost. In 1836, when only a few miles of railway were employed, the whole expense of the mails was only £140,000, while last year (1863) £511,000 was paid to railway companies alone, and the whole cost was £676,000. It must, however, be remembered that this increased expenditure is chiefly owing to the great additions made to the day mail service, which has increased from 54,000 miles daily in 1839, to £160,000 in 1863. The fact is that the mail service, under the old system, exactly suited the coaching system. The speed and punctuality of mail coaches enabled the contractors to obtain high fares from passengers, in addition to which, Mail coaches were free from toll and mileage duty, and the Post Office supplied the coach.

These considerations enabled the Post Office to induce contractors to undertake the duty at about $2\frac{1}{4}d.$ per mile, on the average, though there were instances of mails being carried for nothing, and even the privilege of conveying them being paid for. The payments to railways are said to average sixpence per mile, including all services both by day and night. But I believe the average to *be higher.*

But though the penny-post system was quite practicable without the aid of railways, there can be no doubt that the conveyance of the Mails by railway has been of great benefit to the service from the increased rapidity and facility of communication, and to this is to be attributed the more frequent deliveries. To this increased facility of communication the Public, undoubtedly, are indebted for the Book Post, established in 1848,—and subsequently by various alterations, all printed matter and MS. (not letters) maps etc. have passed at one penny per quarter pound; and since autumn 1863 patterns of merchandise have paid similar rates. These are accommodations hardly to be over-rated. The transmission of money by Post Office Orders, and Post Office Saving Banks, are additional benefits arising out of the Railway system. But all these are benefits which might have been foreseen earlier, and might and ought to have been secured to the Public at less than the present cost. All this might have been done, and may now be done, not only without injury to the Railway Companies, but with great advantage to all concerned. The public may, therefore, very properly look to the Board of Trade for its concurrence and assistance in rectifying, as far as in its power, the former neglect of that department of the Govern-

ment. It will be trifling with the question for the Chancellor of the Exchequer to say that, he cannot afford to make the concessions proposed, for the balance of the mutual concessions will be greatly in his official favor, and, as already shown, the Public will be great gainers, as well as the Railway Companies. If this be so, all parties concerned will be gainers, and this will prove that the change proposed is only from a bad to a good system, as already proved, in the case of the Post Office, by the reform of Sir Rowland Hill.

In this view of the question, it will be seen that, details cannot affect the principle, and that, if the principle be right, the conclusion therefrom cannot be made wrong by any details of the Working Expenditure. It is, therefore, useless to enter further into these details here. The Railway Companies will have no difficulty in regulating the Working Expenditure according to the traffic. By these details the Officials of the Post-Office, from the highest to the lowest, sought to save themselves, when their system of Management was assailed and overthrown. But the assailant was armed with the magic power of figures, and when he blew the trumpet of truth, the echo resounded throughout the country, and the old Post-Office, like the walls of Jericho, crumbled and fell.

After proof given of the cost of the carriage of Letters it was no good answer of the objectors to the uniform Penny Postage, that the Post-Office would be a loss to the country, instead of being (as it ought never to have been,) a source of revenue. That ground of objection entirely failed when met by the fact that, the actual cost of delivering a Letter in the most remote part of the kingdom was only a very small fraction of a farthing. That was the only fact in the whole question which concerned the public. Everything else was but a question of management, and that concerned the Establishment, not the Public. The proof of mismanagement was complete when the fact of from 4000 to 5000 per cent. profit on every Letter was established, and that was also proof of a defective system.

But the Post-Office is a Government concern, and Railways are private property.

Yes. But private property created by the special powers of Parliament conferred on private individuals for the public good.

If the Post-Office reform had been much longer deferred, there is every reason to believe that other means than the regular channel would have been used, to a much greater extent than were used, for the conveyance of Letters, and that the number of Letters then conveyed by

irregular channels was little short of the whole number by the regular channel. A prohibitory law against the public interests is not apt to be more respected in this country, than in Russia or China, or any other half-civilized Empire.

Now, a great deal of the principle, as regards the conveyance of Letters, is equally applicable to the conveyance of Passengers. The ground of the argument for the Postage reform, may well be applied to the Railway reform. After proving the cost of conveyance, and that the present rate of charge is excessive, it is no good answer to say that the Railway Companies cannot afford to make the proposed reductions, when it is manifest that a very large per centage of profit would remain to them after paying the cost.

If the cost of the locomotive power for a train of 1st 2nd and 3rd Class carriages, carrying 400 passengers, be $9d.$ a mile and no more, this, at the average charge to each passenger of $1\frac{3}{4}d.$ a mile, would give a profit of $7777\cdot777$ per cent. per mile; and if the average charge to each passenger were $\frac{1}{3} \frac{1}{2}d.$ a mile, this would give a profit of $2591\cdot666$ per cent. per mile. It cannot be said that this is not a sufficient profit for the cost of conveyance; though it may not be sufficient for all the costs of mismanagement. A profit of 2591 per cent. must be ample for any fair trade

concern, after making all fair allowances for working expenditure, wear and tear, incidental expenses, contingencies, and interest on capital; though it may not be sufficient for all the speculative outlays of capital in which the monopolizing spirit of Railway Directors so much delight to indulge. The public ought not to be made to pay for those speculations, which, for the most part, are notoriously bad. Who, that knows anything about Railway affairs, can doubt that, if the Directors of the great Main Lines of Railway had confined their operations within their original design, and not sought to monopolize every possible Branch Line communicating with their Main Line, the Shareholders would now have been in receipt of Dividends more than double the present amount? Why should the Public be made to pay for all these bad speculations, and for all the costly contests in Parliamentary Committees which this monopolizing spirit has created? So far from the Public having gained any advantage from an extended Railway system by this encroaching spirit, it is notoriously all the other way, and that the local interests, which were better acquainted with, and could and would have better supplied, the local wants, have been overpowered and crushed by the great monopolists of Capital and *parliamentary influence*.

Such is the position into which the Public have been brought by the ill-advised proceedings of the Government, pursued from first to last on no fixed principles or systematic plan, but left in a great measure to chance, and open to every sort of trickery by grasping capitalists and unprincipled adventurers. The consequence has been the distribution of an enormous spoil among an immense and various class of plunderers, which it would be invidious and dangerous more particularly to name, for which the People have had to pay, and are paying, and all the Railway Shareholders in the kingdom are suffering. The People, as usual, have been the dupes, and, as usual, they do not know it. They see the great and wonderful results of capital, skill, and energy, combined, and they see a certain large measure of success, but they do not see how much greater that might and ought to have been under longer foresight and wiser management. But they may yet see how much more and better may be done, and in this question, none are more interested than Railway Shareholders themselves. There will be difficulties with the Companies in any attempt to rectify the mischiefs and neglects of past legislation, but it will be no breach of good faith if the Legislature confer the same powers on new Companies and on terms more favorable

to those Companies and to the Public. This would go a long way to establish the desired uniform system, and mutual interests would soon reconcile all little differences. We might then expect to hear less frequently of the costly conflicts of rival Companies before parliamentary Committees, and less of parliamentary influence, all of which wasteful expenditure ultimately falls upon the railway passengers; and we might never again hear of such a case as that recent case of the Great Eastern Railway Company before a Committee of the House of Commons, in the Sessions of 1864. The circumstances under which that Committee exhibited themselves on that occasion are so remarkable that the following brief report, taken from the printed Statement of the Board of Directors of the Great Eastern Railway Company may not be out of place here, whilst on the subject of Parliamentary Committees and Railway Legislation.

“The Great Eastern Railway Company were the part promoters of a line of 134 miles in length, which had the merit of passing through a district of country peculiarly favorable for the construction of a railway, so much so, that the line could be made for the small sum of £12,000 a mile. In consequence of the cheapness at which the line could be made, and the favorable

character of its gradients, the promoters stated—and their statement was not disputed—that they could run trains upon it carrying 400 tons of coal at a cost of one farthing per ton per mile; the result would be an actual saving in the cost of carriage, as compared with the Great Northern line, of one eighth of a penny per ton—an advantage which would in effect be equal to the repeal of the metropolitan coal-tax upon all coal brought upon the proposed line. It was further shown that this railway would bring the coal so much nearer to the doors of 60,000 persons resident within a given radius of the terminus than by the Great Northern system; and that there would be a further saving in the cost of carriage of Coal through London of 2s. per ton. The new railway would, in fact, have supplied one million tons of coal to the eastern districts of London at an annual saving to the consumer of £167,600. It was further shown that, while this boon was conferred upon the consumer, the carriers of the coal would obtain for themselves the very handsome return of 10*d.* per mile more upon each train mile travelled with the load than is now earned by the Great Northern at the existing rate. The reason of this superiority of the proposed over the existing line is that, upon *the* Great Northern, the gradients are so steep

and the line so ill adapted for the heavy coal traffic, in addition to the ordinary traffic, that each train cannot convey more than 250 tons, and the cost to the public cannot, in consequence, be less than three-eighths of a penny per ton per mile.

“It is almost incredible that at this time of day any body of men should be so thoroughly imbued with antiquated notions as to reject a project so complete in all its points purely upon protectionist grounds. Yet we find the Chairman of this Committee—a man selected for the post for his supposed fitness for the office—saying to the promoters;—“You propose to have a railway with gradients such as no other railway in England has obtained, you can carry coals in trains of 400 tons load upon it profitably at a rate of one farthing per ton per mile; but it is not fair to other companies that you should be able to work at so low a rate. I do not see the justice of this proposition of a farthing per ton, and your Bill is rejected.”

“We are not unfairly quoting the words of the Chairman, as they are printed before us from the Short-hand writers’ notes. The concluding observations of the Chairman are:—“If you like to carry at a farthing a ton, having a higher maximum, I do not see why you should not. At present I object to a farthing a ton, because I do

not think it is fair to other Companies who have not the same gradients and cannot get them."

"The doctrine thus laid down reads so strangely that we turn back to the documents to be certain whether such a statement could really have been made only some ten days since. To argue with any person who could solemnly decide upon the merits of a scheme brought before him upon such grounds would be the merest waste of time. As we have given, however, that part of the dialogue in which the Chairman took part, it will be but fair to give the other portion, which contains Mr. Fowler's answer. Meeting the legislator upon his own ground, he said:—"I apprehend that nothing can be more fair and proper than such a proposition on such a principle. It is only in that way that you can have improved machinery from time to time. Every man who has got a machine or a railway in this country must always be liable to somebody else superseding his machine or railway by a newer and a better one. Every man who builds a cotton mill or puts machinery in his cotton mill does it not only at the risk, but almost in the expectation that at some comparatively short period of time that machinery will be superseded by newer and more economical machinery, and *so, step by step*, we have carried out the im-

provement and development of this country. If a man is to be protected by reason of his having an imperfect machine, and improvements are to be stopped and newer and cheaper machines forbidden, lest they should interfere with the old ones, that would at once put a stop to all improvements in the country."

Here is a case of a railway rejected because the gradients were too good and the costs and charges too cheap! The presumption therefore is, that if the gradients had been steeper, the cost of making greater, and the charge for using higher, the railway would have been accepted!

The preamble stating that the Bill would be a great public good was not only unquestioned, but was proved; and the only cause assigned for not passing the Bill was that it was too good—that it would do its work too well. Had the Company proposed to carry coal for a penny per ton per mile, the answer would very probably have been—the public are already better served, for they get the coal for three eighths of a penny; but when the proposition is made to carry coal at a less cost than this, the Committee say that shall not be done; and so, under what circumstances, if any, this railway might have been made does not appear, and it is impossible to discover. This Committee chose to throw the

shield of protection over existing interests, and whatever their motive may have been, the effect of their decision has been, to protect the dividends of the Great Northern Railway Company, at the cost of an annual tax of £166,000 virtually imposed upon one million of the tons of coal consumed in the metropolis for all time to come, or until the time for the revisal and reversal of their decision shall come. The decision is so flagrantly at variance with the theory of our commercial policy, so opposed to all ideas of progress and improvement, so unfair to the promoters of a great work, and so unjust to the public, that the time can hardly be farther off than the next Session of Parliament for the revisal and reversal of this dismal doctrine and disastrous decision. In this hope, the names of the members of this Committee and their conservative Chairman are withheld from public astonishment.

With regard to the part to be taken by the Government on this occasion, I can suggest no better course than that which was taken on the Postage question, namely, a full and complete inquiry into this proposed Scheme of Railway reform, by a Select Committee of the House of Commons, with power to examine Witnesses and to call for the production of all necessary Books, Papers, and Documents.

That such is the proper course to be taken by the Government on this occasion, is sufficiently shown by the result of the Select Committee on Postage reform. On that occasion there was no general or strong expression of public opinion calling for such a change.

The Postmaster General, the Chief Secretary and all the subordinate officers of the Post-Office, without a single known exception, were opposed to the reform in that Establishment. Until the reform proposed by Mr. Rowland Hill became known none was called for, and by few only was any thought of. When known and understood all difficulties vanished, and the reform was carried by the popular voice as a measure of universal good.

The Earl of Lichfield, then the Postmaster-General, in answer to Questions by the Committee, 2775-6, said :—" I have read Mr. Hill's pamphlet very attentively, and given it all the consideration in my power, and my opinion is that Mr. Rowland Hill's plan is not practicable, keeping in view the object of still maintaining the revenue at its present, or nearly its present amount."—" I think it impossible that the correspondence of the kingdom can be increased to a sufficient amount to meet that reduction." Again, in answer to Question 2785, the Postmaster-General

says:—"My opinion is, that Mr. Hill has founded the justice of the plan of establishing an uniform rate of postage on wrong calculations: Mr. Hill proposes an uniform rate of postage for this reason, that he imagines he has ascertained that the expense of the conveyance of a letter to any distance is of so trifling an amount, that he says it is a coin to which there is no assignable name, it is so small; and that, therefore, there would be no injustice in establishing an uniform rate of postage, it not being a question of distance, with regard to expenditure, whether a letter goes 10 miles or 400. In that calculation, my opinion is, that Mr. Hill is wrong. I think I can prove that the letters cost a great deal more."

That opinion of the Postmaster General was confirmed by the evidence of Lieut. Colonel Maberly, Secretary to the Post-Office. In answer to Question 3089, he says:—"I think the whole scheme is utterly fallacious, and I thought so from the first moment that I read the pamphlet."

In answer to Question 2914, he made the following important admission:—"In point of fact, as a general rule, we almost always find in the Post Office, that increased accommodation produces an increased quantity of letters."

The opinion of Lieut. Colonel Maberly was

confirmed by the evidence of his Assistant Secretary, Mr. Thomas Lawrence, and, in answer to Question 1035, whether, if the proposed reduction of postage were made, "taking all the letters together, there would be more letters written than are now written," he says:—"I do not think there would." The same Witness in answer to Question 984 says:—"I do not conceive that letters to the extent of four-fold would be written in this country even if they went for nothing."

He had previously said, in answer to Question 986: "I think there are quite as many Letters written now as there would be even if the postage were reduced."

Lord Ashburton, with his great commercial experience and habitual caution, was strongly in favour of a reduction in postage, though doubtful of the policy of adopting the whole of the proposed plan. In his evidence before the Committee, in answer to Question 8149, he said:—"My own impression upon reading Mr. Hill's pamphlet was, if you adopted his plan of coming down to 1d. you would risk nearly the whole of your income. I doubt whether so small a sum as that, with the expense of making the frank covers, in addition to the expense of the machinery of the Post-Office and the conveyance, I doubt whether the Post-Office would be produ-

tive of anything at that rate. That is what I should apprehend; at the same time it is so important a subject, that if the country were not, unfortunately, in the predicament of not having anything to risk, it is an experiment I should, from its importance to the great interests of the country, as well as the social comforts of the great mass of the people, be anxious to see made; but I fear that if you were to adopt all the plan, you must make up your minds to risk the greater part, if not the whole, of the revenue."

How highly his Lordship estimated the benefits to the country from cheap communication, may be seen in his answer to Question 8150:—"You can hardly make a reduction of charge which is not productive of corresponding benefits in other branches. I should say a reduction of the charge upon letters would show itself more than in any other branch with which I am acquainted. I do not know any article of revenue from which I should anticipate more benefit from a reduction; but whether it would be wholly made up or not is a *very speculative question*."

It is a remarkable fact that, of all the numerous Witnesses who gave their evidence before this Committee, the Witness who approached most nearly to this "very speculative question" was the propounder of the plan himself; and it

is further noticeable how unfounded have been proved to be all the forebodings of failure and loss to the revenue.

In all this there are many points of similarity between the Postage Reform, which was effected, and the Railway Reform, which remains to be effected. There was no outcry for Post-Office reform. There is no outcry for Railway reform. The public are pretty well satisfied with the present Railway system, as they were with the old Post-Office system. They never knew anything better—never imagined anything better. Postage was heavy. Railway Passenger Fares are heavy. But the convenience then was great. The convenience now is great. Government influence for maintaining the old Post-Office system was great. Railway influence for maintaining the present Railway system is great. The revenue will be lost, was the outcry of the Government Officials. The railways will be ruined, will be the outcry of the Directors and Shareholders. If the Government outcry on the former occasion had prevailed, the benefits of the Penny Postage might have been still unknown. If the Railway outcry on the present occasion should prevail, the benefits of cheap travelling may be long unknown. All or most of the reasons for a Select Committee of Inquiry into Postage, apply

with equal force for Inquiry into Railways. Both are, in effect, Government questions, and are, perhaps, of equal public interest. The Post-Office is a monopoly vested by Parliament in the Government. The Railways are a monopoly vested by Parliament in the Railway Companies. Both are monopolies intended for the public good. By the change in the Post-Office system, the Government nominally, but the Public actually, bore the whole risk of loss. By the change in the Railway system, the Government nominally, but the Public actually, will share the risk of loss with the Railway Companies. The only question for inquiry is:—"What is that risk? It would not be fair to throw the whole risk upon the Shareholders, who have already expended their capital in reliance on the good faith of Parliament, and for the great benefit of the Public. If concessions are now to be made to the Public, the Public must pay the price. In the old Mail Coach times, the same sort of compromise was made by giving up the mileage duty, paid by the Stage Coaches, and allowing the Mail Coach to pass through the turnpikes free of toll. That duty was 4*d.* a mile, which exceeded the whole cost of the Mail Coach. The carriage of the Mail Bags was the only distinction between the Mail Coach and the Stage.

Coach. The present proposition, to give up the Government duty on Railway passengers, is a less sacrifice of revenue than was the old Mileage duty, and would be no sacrifice at all, but a great gain, if the Mail Bags were carried free. This seems to establish a fair ground for the Committee of Inquiry.

Here is no proposition injurious to railway property. No change is here advocated to injure railway property or decrease its stability in the country.

Every change here proposed is for maintaining on a more distinctly defined and secure basis than the present all the railway property of the kingdom ; also for making railway property more serviceable to the people and more profitable to the shareholders. No argument can now prevail to deprive the whole community of a proved advantage, because some individuals may choose to say that their vested rights are invaded and their interests injured. They are entitled to a full and fair hearing, and may be entitled to compensation ; but if the full and fair compensation be offered and rejected, they ought not to be in a better situation than the Land-owner whose vested interests have been invaded and whose favorite possession has been torn away from him for the making of the railway out of which these newly-

created rights and interests have arisen. A proved case of public advantage is sure, sooner or later, to command an intelligent hearing, and to prevail in overcoming prejudice and selfish interests. In this way only can the Railway Monopoly be justified, and in this way only can it be maintained. The Railway Companies had better meet the question fairly, before the outcry is heard, as it surely will be, against their monopoly as it now stands.

The Companies have a good case for compensation. By a rare combination of capital and skill, the greatest and most wonderful of human works for human welfare have been accomplished in the Railways. But if these works be not made as extensively useful as they might be, that is an error open to severe reproach ; and if it be shown that *more extensively useful* is synonymous with *more largely profitable*, then the error must be condemned as one of human folly and shortsightedness, as most errors are. Human foresight, at the best, can only see a short way into the extent of good which may result from railways ; but it is easy to see that the good must be greatly extended by making railways available to all classes of the People on the easiest possible terms. In our own country it is impossible to appreciate too highly this means

for removing the dwelling-places of the working population from our over-crowded Metropolis and other great Cities and Towns into the country ; but it is easy to see that the health and morals of the working class would be much improved by such a change, and that Model Lodging Houses and other dwelling-places, now being built in London, might be much better built, and at much less expense, a few miles in the country. If all the inhabitants of those houses were able to go to their work and return to their homes, by the railway, free of charge, such a change must be greatly to their advantage, and, by a very small addition to the rent of the houses, that might be a more profitable speculation than the erection of Model Lodging Houses, and Workmen's houses in London or any other crowded locality. It is easy to see that the tendency of such a change as this would be to improve the physical and moral condition of the working class, and that such would be the effect can hardly be doubted. But this is only one of the many prominent benefits to be expected from Railway Reform. It is impossible to foresee all the innumerable benefits which would follow ; but it is easy to see that these benefits to the people would be shared by the Railway Companies, and that then the invidious name of Mono-

polists would no longer be applied to them. Nothing can be imagined more calculated than this would be to facilitate the laying down of railways in every part of the country, and even the bringing them into the centre of our Metropolis and of every City and Town, for then the railway would be the track of progress in improvement, and the dismal haunts of loathsome misery and infectious fever would give place to the spacious and airy railway stations, which are already beginning to be the finest architectural ornaments of our Metropolis. Nor is it easy to foresee all the advantages which such a change in public feeling would bring to the Railway Companies; but it is not improbable that one of the effects of this change would be, that Land Owners, instead of seeking high compensation for their land taken for such purposes, would be content with more reasonable prices, and that some would even give their land to be in closer proximity to this track of progress.

Of the powers conferred upon the Government by the Act of 1844, (7 & 8 Vict. cap. 85) it is only necessary to say that, these are, and are likely ever to remain, inoperative.

But here the right is distinctly recognized of altering and controlling, and even altogether *superseding*, the powers conferred, or to be con-

ferred, by Parliament on the Railway Companies, on the principle of fully compensating them for any loss or injury by the exercise of such right.

The object of this Act appears to have been to protect the Public against the monopolizing tendency of these companies. But in this object the Act has failed, by fixing at too high a rate the scale of remuneration for such railways as come within the Act, namely, those made subsequently to the passing of the Act.

Experience has since shown that, the object of the Act would have been much better attained by confining the opposition to new lines of railway to the only persons who were really entitled to be heard in opposition, namely, the Land-owners who were unwilling to part with their land. They may fairly urge the reasons which make the undertaking unnecessary, and may most properly defend themselves against the invader of their property by all the means in their power. But the complaints of existing rival Companies can form no just ground of opposition, and they may, therefore, most properly be denied a hearing. It would have been better for them if they had been so denied from the first, and far better for the Public at large; nor is it too late now to prevent much more mischief of this sort by legislative enactment. There can be

no reason why Railways should be more exclusively protected than Factories. The only protection required is to ensure the safety and convenience of passengers and goods to be carried.

I address this to you, Sir, as the head of that department of the Government to which the subject especially belongs, and having great confidence in the soundness of the views which I have here ventured to present to you, as also in the well known liberality of your views on all questions of public interest, I rely on you for giving to this important subject the attention which it deserves. But, being aware that the power of the Government on questions of this nature is very much dependent on popular opinion, and that public improvement seldom emanates from the Government, I have thought it better to address this Letter to you thus publicly, than in the form of a private communication, and wishing to remain personally unknown, I subscribe myself, with great respect,

Sir,

Your most Obedient Servant,

The Author of

“The People’s Blue Book.”

[*Note.*] Since the foregoing was written, an interesting Article on the "Results of Post-Office Reform," has appeared in the Edinburgh Review or July 1864, which thus recapitulates the results of this great National and World Service rendered by Sir Rowland Hill.

"The results of Penny Postage have entirely fulfilled, and indeed exceeded, the expectations of its Author. He predicted that his system would ultimately produce a five-fold increase of letters; last year 642,000,000 passed through the Post-Office, or *nearly eight and a half fold* the number in 1839. The gross revenue has increased from £2,346,000 to £3,863,000, and will this year probably reach £4,000,000. And the net revenue, which Sir Rowland Hill foretold would ultimately recover to within £300,000 of its former amount, has *increased* (stating it as was always done under the old system, *i. e.* neither deducting the cost of the packet service, nor adding the produce of the newspaper stamp) from £1,660,000 to £1,814,000. While the amount remitted by money orders was last year £16,493,793, against £313,000 in 1839, an increase of *fifty-two fold*. Including the reduction of postage, and the liberty to insert enclosures, etc., without being charged double, it has been calculated that, on an average, a man now re-

ceives as much postal accommodation for a penny as he formerly had for ninepence; and as the gross revenue of the department has increased by nearly sixty-five per cent., it follows that the benefit derived by the letter-writing public is nearly *fifteen-fold* what it was under the old system!"



BY THE SAME AUTHOR.

**"THE REVIEWER REVIEWED; IN ANSWER TO
THE EDINBURGH REVIEW ON BRITISH TAXA-
TION."**

Second Edition, One Shilling.

LONDON: ROUTLEDGE, WARNE, AND ROUTLEDGE.

1860.

"OUR NATIONAL DEFENCES: WHAT ARE THEY?"

LONDON: EFFINGHAM WILSON, 11, ROYAL EXCHANGE.

One Shilling.

1859.

**"SUGGESTIONS FOR THE RENEWAL OF THE
BANK OF ENGLAND CHARTER: AND FOR A
DECIMAL COINAGE."**

LONDON: CHAPMAN AND HALL, PICCADILLY.

Two Shillings.

1856.



